PROHIBITION OF PRICE SUPPORTS FOR CROPS PRODUCED ON CERTAIN LANDS

HEARING
BEFORE THE
SUBCOMMITTEE ON
SOIL AND WATER CONSERVATION
AND THE
SUBCOMMITTEE ON
AGRICULTURAL PRODUCTION, MARKETING,
AND STABILIZATION OF PRICES
OF THE
COMMITTEE ON AGRICULTURE,
NUTRITION, AND FORESTRY
UNITED STATES SENATE
NINETY-SEVENTH CONGRESS
SECOND SESSION
ON

S. 1825

A BILL TO PROHIBIT PRICE SUPPORT FOR CROPS PRODUCED ON CERTAIN LANDS IN THE WESTERN PART OF THE UNITED STATES WHICH HAVE NOT BEEN USED IN THE PAST TEN YEARS FOR AGRICULTURAL PURPOSES, AND FOR OTHER PURPOSES

MAY 6, 1982

Printed for the use of the
Committee on Agriculture, Nutrition, and Forestry

U.S. GOVERNMENT PRINTING OFFICE
96-083 O
WASHINGTON : 1932

S161-22

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PROHIBITION OF PRICE SUPPORTS FOR CROPS PRODUCED ON CERTAIN LANDS

THURSDAY, MAY 6, 1982

U.S. SENATE, SUBCOMMITTEE ON SOIL AND WATER CONSERVATION AND THE SUBCOMMITTEE ON AGRICULTURAL PRODUCTION, MARKETING, AND STABILIZATION OF PRICES OF THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,

Washington, D.C.

The subcommittees met, pursuant to notice, at 10:10 a.m., in room 324, Russell Senate Office Building, Hon. Roger W. Jepsen (chairman, Subcommittee on Soil and Water Conservation) and Hon. Thad Cochran (chairman, Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices) presiding.

Present: Senators Jepsen and Cochran.

STATEMENT OF HON. ROGER W. JEPSEN, A U.S. SENATOR FROM IOWA

Senator JEPSEN. The Subcommittee on Soil and Water Conservation and the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices will come to order.

I welcome all of you here today to this joint hearing of the Subcommittee on Soil and Water Conservation and the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices.

Senator Cochran, the chairman of subcommittee No. 3, has another committee meeting at this time, but I expect he will join us later.

As chairman of the Subcommittee on Soil and Water Conservation, I welcome each of our witnesses here today.

The purpose of this hearing is to receive testimony on S. 1825[1] sponsored by our distinguished colleague from Colorado, Senator Armstrong. Senator, we welcome you here today.

This bill is of particular interest to each of us because it is a departure from the traditional role of the Federal Government in matters pertaining to soil conservation. S. 1825 would require the practice of soil conservation on certain farmland if the operator is to be eligible for commodity price support and other programs under the Department of Agriculture.

Since this proposed linkage imposes new conditions on the eligibility for farm commodity programs, it is a matter of concern to the operation of programs outside the area of traditional conservation programs. It is also the reason why this bill was referred jointly to two subcommittees.

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[1] See p. 66 for the text of S. 1825.

The idea of such linkage is not new. Similar proposals, which normally are referred to as "cross-compliance measures," have been around for a number of years. They have been strongly resisted in the past because of their direct challenge to the independence and self-determination by farmers of what they can and cannot do with their land. However, I understand that it may be a rather unusual set of circumstances that prompted this particular bill by Senator Armstrong. I know that we have a number of witnesses from Colorado who, no doubt, will make us aware of those circumstances.

Since we have a full witness list today, I propose that we hear from other Senators who have opening statements, and then begin with testimony from Senator Armstrong.

Since Senator Armstrong and I are the only Senators here today, we will proceed.

So that we can hear from everyone this morning, I suggest that witnesses summarize their written testimony and limit their remarks to 5 minutes so we will have time for questions. We will be happy to include the full written testimony in the hearing record. If the hearing clerk will keep a timer for each witness, then we are ready to proceed.

Senator Armstrong.

STATEMENT OF HON. WILLIAM L. ARMSTRONG, A U.S. SENATOR FROM COLORADO

Senator **Armstrong**. Thank you, Mr. Chairman. I thank you for the opportunity to testify and for the interest you have shown in this legislation and for your concern about the problems of soil erosion which you have expressed so often in the past. I have a prepared statement which I would like to submit for the record and take a moment to explain the essence of this legislation in the belief that, since I am going to have many opportunities to speak on this matter to Senators, that it would be most useful to primarily focus this morning on the testimony of people from Colorado and elsewhere who are very familiar with the problem.[1]

Senator **Jepsen**. Your statement will be entered into the record as if read, and you may proceed.

Senator **Armstrong**. Thank you.

The essence of the problem which prompts this legislation is simple. America, particularly Western America, is drying up and blowing away. Wind and water erosion is costing 5 billion tons of topsoil a year.

Now, out our way in Colorado, we are particularly sensitive to this problem; and, as the photograph which we have placed here in the committee room will point out, the result of wind erosion, particularly in dry areas of Colorado, can be very serious, not only to the land which is eroded but the neighboring land of farmers and ranchers who, in fact, are not engaging in unwise soil conservation practices, who have not plowed up their own land but who become the victims of unwise conservation of their neighbors, even relatively distant neighbors.

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[1] See p. 39 for the prepared statement of Senator Armstrong.

The single farmer can lose as much as 6 tons of topsoil per acre in a year, and incredibly, the Federal Government is in the position of actually encouraging people to do this, that is, to plow up land which is really not well suited to cultivation. That is the issue.

I could not bring myself, Mr. Chairman, to be a party to legislation which told people what they could or could not do on their own property. This is not a Federal land-use control bill, but it seems to me that it would be only prudent and wise for the Federal Government to withhold the kind of crop subsidy payments which encourage people, often foreign investors, Canadians, and others, who don't understand the fragile soil conditions, particularly in Western America, to come here, and plow up land which is really not suited to intense cultivation, but they are attracted to do so because of the availability of crop subsidies. In fact, we find ourselves in the ridiculous situation in many instances of attracting such outside investors, who, then, not understanding the fragile soil and weather conditions in our country, plow up their land, and then when the land begins to blow away, they apply to the Government to help them reseed. In the meantime the topsoil has blown away and it may take 100 years to restore what has been lost.

So that is the essence of the bill. It says that in a specified geographic area of the country the Federal Government will no longer grant subsidies on land newly plowed after the effective date of this act.

Mr. Chairman, I am about to conclude my statement. Everything we know about this we have attempted to put into writing, but among the statements that we are putting in the record today are the observations and endorsements of this legislation by the American Wilderness Alliance, the American Farmland Trust by the Agriculture Department of the State of Colorado, by the Colorado Audubon Council, the League of Women Voters, by the Colorado State Soil Conservation Board, the Colorado Potato Growers' Exchange, Trout Unlimited, by the Wildlife Society of North Dakota, by the High Country Citizens Alliance, the Colorado State Grange, the Rocky Mountain Farmers Union, the Pike's Peak Cattlemen's Association, Centennial Soil Conservation District, and articles from publications which direct themselves either to agriculture, environment or conservation.

My belief is that this legislation should not be controversial, that it simply represents a commonsense solution to a problem which is very real.

I want to express my great appreciation to a number of Coloradans who are familiar with this problem and who have come here today to testify before the committee. The people who have come are not only well known to me, but persons of stature in the agriculture industry in Colorado who have proved themselves leaders and who can tell to the committee firsthand the experiences and the problems we are having. Ever since this legislation has been pending, we have been through a very dry period in our State, and other areas of the West have as well, and we have experienced tremendous problems of blowing soil.

In fact, I arrived home a couple of weeks ago and landed at Stapleton Field and it looked like half of Colorado was blowing through the air.

In the brief time this legislation has been pending, we have been monitoring the intention of people to plow up new land, and huge tracts of land have been plowed up or nominated, in effect, for plowing, even in the last several weeks. So the problem is a very real one, an urgent one, and one which we think needs attention.

Two final matters, Mr. Chairman:

One of the persons who has come here this morning, who is not scheduled to testify because we did not know of his interest prior to today; and, therefore, I was not in a position to ask the committee that he testify, is Mr. Mel Layne, and I would ask unanimous consent that his comments be printed in the record. He has prepared a brief statement which I would like to submit for the committee's record.[1]

Let me note that one and perhaps two of the witnesses, Mr. Rank, and possibly the representative of the Farm Bureau and others may express some concern about the geographical limitation of this bill to that part of the country west of the 100th meridian. We originally drafted this to apply only in Western America, because it is where we think the problem is more serious. However, I understand they will testify that we should make it apply to the whole country, and if it is the committee's pleasure to make it apply to the entire Nation in order to make it equitable for everybody, and to simplify its administration, I think that would be a good idea. I not only would accept such an amendment, but I think it would be a good one.

Thank you, Mr. Chairman, for the opportunity to be here today.

Senator **Jepsen**. Thank you, Senator Armstrong.

We are aware that the Senator very shortly has to return to the Budget Committee hearing. As we all know from the national news this morning, the Budget Committee moved off of dead center last night and not only launched, but is on the way to going into orbit, and it looks like a successful mission. Not all the problems are ironed out yet, but I know you have got to go there, and we have just a couple of brief questions, if we may.

Senator Armstrong, my initial question goes to the philosophy of this. The performance requirements are referred to as cross-compliance. In this instance, farmers are required to meet certain soil conservation standards in order to be eligible for price support and other production oriented programs.

Would you comment, please, as to what you see as the underlying philosophy of this legislation?

Senator **Armstrong**. Mr. Chairman, I think a case could be made—I do not make it—but I think a case could be made that at a time when the agriculture surpluses facing this country are so large that they are a serious budgetary problem and a serious impediment to achieving a fair market price for the producers that we could logically just say, "Let's don't grant price supports for any commodities that are grown on newly cultivated land after this date." But that is not the purpose of this legislation. That would be based upon a philosophy of reducing the tremendous runup of surpluses we have in some commodities. That really isn't the issue that is addressed in this legislation. What is addressed here is the fundamental question of whether we should attempt, particularly people who may not understand the ecology of the land which they own, to do something which is an unwise conservation practice.

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[1] See p. 46 for a letter from Mr. Layne to Senator Armstrong.

There are vast areas of Western America, in Colorado and other States, which simply are not suited to intense cultivation, which nature intended to be grassland; and, if you plow it up once in a great while, you will get a decent crop, but for the most part you won't, and the effect of cultivation is to, in fact, produce soil erosion, and great damage, not only to the property that is plowed, but in many cases to adjacent property as well.

The Federal Government finds itself in the unsuitable, unseemly position of literally encouraging a conservation practice which is unwise, and at a time when we do have interests by foreign investors, but not just foreign investors, who come in, and are desperate to try to get some income off this property, which frequently changed hands at very high prices. We are tempting them, in effect, to do this, by holding out the hope that, if they get lucky and get a crop, there would be a subsidy there for them for the crop itself.

So that really is a philosophical position, that we ought to get the Federal Government out of subsidizing soil erosion practices.

Senator **Jepsen**. How is this approach different from the approach of the traditional soil conservation program?

Senator **Armstrong**. I think there are others who could probably speak in greater detail to that. My own interest has been stimulated by people who live with it every day. This legislation, as some of the witnesses know, came about as a result of meetings with people out in eastern Colorado, who had suffered from the problem, and they simply said, "We have got to do something to at least discourage further cultivation." I would stress that this is not a substitute for other conservation legislation. It is certainly no panacea. It is just one step that at least puts the Federal Government in the position of being neutral instead of subsidizing these additional plowings. It is not a substitute in any sense for other conservation measures.

Senator **Jepsen**. You have a very impressive list of organizations and individuals in Colorado supporting you. In fact, the way you were going, I thought everybody in Colorado must be supporting it.

Along those lines, what has the State of Colorado done? What has the State legislature done? Have they taken any action?

Senator **Armstrong**. The State of Colorado has taken no action as far as I am aware that bears on this legislation, although within the last 2 weeks the question of whether or not the Governor should act under his emergency powers to prevent the cultivation of certain tracts of land in Colorado has been a very lively topic in the news media, and it is my understanding that, in fact, he has acted under some powers he possesses to prevent some land from being cultivated. Perhaps some of the other witnesses could give greater detail on that, but it underscores that this is a very current and growing problem.

It is true that a great many Colorado individuals and organizations are interested in this legislation, but I believe in their testimony they will point out the many cases that the national organization with which they are affiliated are also in support of this legislation. I believe that will come out in the testimony that will be presented this morning.

Senator **Jepsen**. Do you know what has been done by other Western States?

Senator **Armstrong**. I really can't—you mean with respect to conservation?

Senator **Jepsen**. With respect to this problem, specifically.

Senator **Armstrong**. I can't testify to that, Mr. Chairman.

Senator **Jepsen**. You did indicate that the relationship between price supports and other farm programs, the increased use of marginal lands for crops, that there is—you used the word "tempt"—and I would say it is also as easy to use the word "induce." There are absentee owners that perhaps would bring the land into production when it should not be. Some people believe tax laws have greater impact on land conversion than price supports. Did you have any view on that, or comment on that?

Senator **Armstrong**. I think there is a very real concern along that line, and I think many of us have a growing sense of concern, not only about the use of our land, but about its ownership and about the general direction we are headed.

I would agree that the tax policies which you refer to have a tremendous effect on the ownership patterns of land, everything from the operation of the inheritance tax, the Federal estate tax, as well as, in many cases, local property taxes. All those have had much to do with the utilization of land.

I would stress that all of these problems and others we could mention are beyond the scope of this bill, which I have deliberately defined in a narrow way in the hope that we could act on it promptly. These other issues deserve to be addressed, but by their nature are broader.

Senator **Jepsen**. Since you are a member of the Budget Committee, a natural question is: What would be the cost, in dollars, of administering this program?

Senator **Armstrong**. I don't think we have a cost, but, clearly, there would be a savings to the Federal Government. The effect of this is to deny subsidies under certain conditions. It can't, in my judgment, result in additional costs.

Senator **Jepsen**. Do you have any additional comments on summaries or statements?

Senator **Armstrong**. Mr. Chairman, no. I thank you for your courtesy. As you have pointed out, I am obligated to be at the Budget Committee this morning, where I am told we are going to have a series of rollcall votes on amendments, and they say they are going to be pretty close. So I am going to go over there and be sure they don't undo what we did last night.

But I am grateful to you for this hearing and to those who will be testifying this morning.

Senator **Jepsen**. Thank you, Senator. Good luck on the Budget Committee.

Mr. Everett Rank, Administrator, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, we welcome you to the hearing. You have formal remarks. You may consider them entered into the record as if read, and you may proceed as you desire.[1]

STATEMENT OF EVERETT G. RANK, ADMINISTRATOR, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. **Rank**. Thank you, Mr. Chairman. I do have formal remarks. I would like to give a brief statement of those remarks.

Mr. Chairman, and members of the committee, I appreciate this opportunity to testify before you today on S. 1825.

The stated objectives of this legislation are to encourage and promote soil conservation. I am especially concerned with it.

This measure has achieved our close attention. Let me assure the committee and the subcommittees that the Department is receptive to any suggestions and proposals coming from the U.S. Congress that bear on this matter. We are always ready and willing to give full consideration to how we might be able to adopt such proposals and suggestions in fulfilling our mission.

This is the attitude we have taken in our study of the provisions of S. 1825.

Mr. Chairman, this concludes my short statement, and I will be happy to respond to any statements you have.

Senator **Jepsen**. In your formal statement, you do say that you—you repeat essentially what you say here, but you add that you have certain reservations, and one of them is that you recognize the problem does exist and the problem which is the focus of this legislation. However, you say that the problem is site specific, and you think it might be better addressed at the local level.

Is that, in any way, in conflict with the thrust of this legislation?

Mr. **Rank**. I believe what we are trying to say Mr. Chairman, is that State and local people can sometimes identify these problems and act more quickly than we can here at the Federal level. I think Senator Armstrong's testimony pointed out that the State of Colorado is looking at the problem areas and is concerned. Sometimes it is harder for the Federal Government to act as quickly as State and local governments.

Senator **Jepsen**. I think that is the feeling of the people who are bringing about the change of direction in this country, so there would be no quarrel with that. But does that mean we should not address this whole problem we are discussing here, which approaches this cost-compliance philosophy? I am getting at soil conservation. Would you comment on that, please?

Mr. **Rank**. Yes.

Cross-compliance is something we have spent many hours on in the Department, trying to identify what part it would play in our farm programs. We do have some reservations about some aspects of cross-compliance in certain areas. We believe, as a concept, that a landowner should not be given taxpayers' funds to rape the soil and the Department should not allow these funds to be used to do things with the soil that is not beneficial to the general public.

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[1] See p. 46 for the prepared statement of Mr. Rank.

Senator **Jepsen**. I will now ask you some of the same questions I asked Senator Armstrong.

Do you believe this should be limited to land west of the one-hundredth meridian? Senator Armstrong's answer to that question was that he didn't necessarily think it should be limited and he would be happy to look at a nationwide approach to this.

Do you have any comments on making the thing nationwide, moving along on a national basis?

Mr. **Rank**. Yes, land west of the one-hundredth meridian is an area of the United States where there is a problem, but we feel there are areas east of that which are in similar shape and have similar type soils. This would place a problem on us, trying to administer a program that is only site specific, or area specific and not having legislation which identifies areas throughout the Nation which may have similar problems.

Senator **Jepsen**. You have raised several important issues in your testimony, not among the least of them is the question of cost for implementation.

Can you give us a cost estimate?

Mr. **Rank**. Mr. Chairman, we have not sat down and analyzed the cost. We do realize that there would be some added costs for administering such a program, and trying to identify those lands which have not been in crop production in the last 10 years. These are not problems we could not overcome. We have the facilities and expertise to identify only some of the lands where there would be an impact. We could identify some of these lands. The cost would be considerable at the start.

Senator **Jepsen**. Since you cannot give us a cost estimate, I would like to ask several questions that might aid the committee in making some sort of a cost estimate. If you can't answer them, we would note for the record that these questions have been asked and we would like to get this information to the committee.

First of all, how many farms would be involved in the determination of requirements under S. 1825? Has anyone estimated that?

Mr. **Rank**. We have not estimated that. Complete records of land use are not available.

Senator **Jepsen**. Let's assume national coverage while we are at that, and get that, also.

No. 2, for each farm, how many hours would you estimate would be required to process each farm? We would like to know that. No. 3, what would be a good number to use for an hourly wage of the ASCS employees? No. 4, I believe we can make—if we have this information, it would seem to me, then, that we should be able to make some rough estimates from this information.

[The following information was submitted by Mr. Rank:]

Response to Questions on S. 1825 and Similar Proposals

Proposals such as S. 1825 have been made in Congress with the objective of deterring cultivation of fragile lands—those highly susceptible to erosion. The proposed bills tie eligibility for commodity and/or conservation program benefits to strict compliance with program provisions. In all cases, these proposals require thorough feasibility analyses in terms of administration, costs, and effectiveness. The following addresses these concerns for S. 1825 and similar proposals.

BACKGROUND

Tilling highly erosive lands has been a historic problem of National scope in U.S. agriculture. During the last decade, evidence indicates that the rate of this process has increased along with a higher awareness of the serious longrun consequences. Identification and discussion of the causal factors for land mismanagement is summarized on the following. However, neither a geographic nor historic quantification of relative importance of each factor exists.

1. Lack of knowledge of conservation needs, practices, and longrun benefits. This may be due to inadequate dissemination of technical information, simple incompetence, etc.

2. High market prices resulting from short supplies. The high market prices make it profitable to bring fragile or marginal lands into production. Later, when commodity prices decline, farmers' shortrun cash flow demands often result in such land remaining in production. This is particularly the case for high leveraged farmers at the end of a rapid run-up in land values.

3. Low land prices and other costs of production associated with some marginal lands. For example, many acres of Western Great Plains grasslands have been purchased for less than $100 per acre. Such lands can be easily plowed and seeded to wheat with no fertilization required. If sufficient rainfall occurs and a good crop is produced, the owner can cover all his expenses and nearly pay for the land in 1 year. However, because the necessary rainfall can be expected in only 2 or 3 of every 10 years, the land may lay unprotected and be subject to erosion much of the time.

4. Potential for land speculators to receive capital gains tax advantages by converting lower valued and potentially erosive land to cultivated cropland and then reselling it. These speculators take advantage of the low land and production costs and gamble on production of a good crop to cover acquisition costs. If a good crop is produced, the speculator may sell the new "cropland" to an uninformed investor for a significant profit.

5. Commodity price-support programs. It is ~~sometimes~~ alleged that these programs are a definite factor causing farmers to cultivate marginal lands. There are some plausible arguments to support this contention. However, the linkage between the Commodity Credit Corporation price-support programs and the cultivation of marginal lands is presently unquantified.

The most compelling argument against commodity programs relates to the disaster provisions of the past. Although there is no firm connection, it is widely held among knowledgeable people that some farmers of marginal land would plant crops, with prior plans of benefiting from disaster provisions of price-support programs. However, disaster provisions have been eliminated from commodity price-support programs in all areas of the country except in those where the expanded Federal Crop Insurance is not available.

The case against other features of price-support programs, e.g. loans and target price protection, is less clear. Current program regulations require that only lands cultivated in at least 1 of the past 2 years or lands in rotation can be included in base acreages—a basis for program eligibility. This requirement is a continuation of past price-support program policies which (with the exception of the 1978 program) either prohibited or severely limited introduction of "new" lands into program coverage.

PROGRAM ADMINISTRATION

ASCS has had long experience in developing and administering a wide array of conservation and commodity programs, based on specific definition of guidelines and objectives. However, herein lies the problem for analyzing and implementing any program such as that proposed under S. 1825.

Presently, SCS's definition of marginal lands is only a short-to-intermediate term economic definition confined to profitability—not concentrating on only erosive land and, therefore, not adequately addressing this problem. Also, a universally acceptable definition of fragile lands has been as elusive as finding a satisfactory definition for "family farms." Thus, a more appropriate definition of marginal lands must be constructed by individuals with technical expertise in program policy, agronomy, and hydrology.

However, much of the information necessary to identify actual and potential problem areas for analysis and development of National programs should be forthcoming from the 1982 Natural Resources Inventory Update Study currently being prepared by SCS. This information should be available in the fall of 1983. However, the task of constructing detailed soil maps per farm would take significantly longer.

Once the necessary detailed information and definitions are available, guidelines could be developed for administering such conservation-related programs as is done for all other ASCS programs.

PROGRAM COSTS

Cost for SCS to develop the necessary soil maps for farms would be substantial in terms of personnel and other resources, and would require SCS approximately 3 years to gather and compile the necessary data. Once the maps were available, ASCS county office administrative costs would average around $8.50 per hour. Total administrative costs would likely range from $3.5 million to $4.0 million per year based on past experience of administering conservation-related programs.

Nonadministrative program costs are more difficult to estimate. Removal of significant amounts of productive land from eligibility for program benefits could reduce individual producer demand for program benefits. However, it could also result in more difficulty and total costs to achieve price objectives when production adjustment programs are required. This could occur because fewer producers and less productive land would be eligible to participate in the program. Production adjustment practices required from remaining eligible farmers would be increased, requiring higher loan rates, target prices, or other program incentives.

Before any more concrete cost estimates can be derived, nationwide data on the quantity and distribution of marginal, or fragile, lands must be gathered and analyzed.

PROGRAM EFFECTIVENESS

Before program effectiveness can be reasonably analyzed, not only extensive and intensive soil data must be obtained, but also specialized economic data such as production costs and expected returns for potentially affected areas are needed to estimate program participation incentives for individual producers. This information could then be used to estimate program-wide participation, public costs and benefits. However, such data is presently not available.

Favorable producer reaction to such program requirements could help solve much of the current conservation problems. Unfavorable reaction and reduced program participation may only aggravate the problem.

The final impact on conservation programs could likely depend on exceptions granted to participating producers. For example, if as in several proposals, certain land classes or other designated lands are granted exception to the requirements when adequately treated to prevent erosion, then the demand for financial assistance to improve conservation practices would probably increase in the affected areas. If, on the other hand, no exceptions were granted, there would probably be very little positive impact.

Senator **JEPSEN**. Assume for a minute that this proposal becomes law. Would you anticipate the need for increased operating funds for ASCS?

Mr. **RANK**. That is a hard question to answer yes or no until we analyze the cost.

Senator **JEPSEN**. A few minutes ago you touched very lightly on cross-compliance and the philosophy of it. Would you elaborate a little bit on your feeling, your cross-compliance philosophy in soil conservation?

Mr. **RANK**. Cross-compliance and land use sometimes are tied together. Land use is identified by us in Washington, and cross-compliance, to me, means that a landowner would have to do certain things on his farm in order to receive the benefits of Federal programs. ASCS loan benefits, crop insurance, and FmHA loans might be tied to farmers doing certain things on the farm.

I think we American folks, who are interested in agriculture, have to put our house in order. If we don't, the outside interests and outside influences are going to tell us how to operate our farms. We have opportunities to do these things, and I think we should try to take advantage of them and identify problems ahead of time and solve them, if necessary, with a program.

Senator **Jepsen**. It has been said before in our previous hearings, I have been advised that we have some 42 years of studies and our files are full with departmental studies of all kinds across the country. In this inventory, do we have accurate soil classification maps to determine whether the lands would qualify, say, under S. 1825?

Mr. **Rank**. Mr. Chairman, I understand we do. The Soil Conservation Service has told me that they have soil survey maps in some areas of the United States from which they could provide information on soil classes, including fragile soils.

Senator **Jepsen**.What portion of the United States has completed soil maps? Do we have soil maps for the entire country?

Mr. **Rank**. Mr. Chairman, we will get that information to you. SCS handles that. I am sure we have covered most of the areas. There are areas, probably, in the grasslands where not every acre has been covered.

[The following information was submitted by Mr. Rank:]

The Soil Conservation Service has surveyed approximately 70 percent of the U.S. land area, or 1.5 billion acres. Soil surveys have been published for about 25 percent of this area.

Mapping is done at the annual rate of about 5.5 million acres and about 100 soil surveys are published each year.

Soil surveys involve the combined effeorts of state and local agencies, as well as those of the Federal Government.

Senator **Jepsen**. Have ASCS and other departments over there, if we expand this to look at this thing on a national basis—and I have an idea that that is what is going to happen—is there a coordinated plan or structure in your departments that would reach in and pull out all the information so we can take a hard look to see what we have, to estimate costs?

Mr. **Rank**. Mr. Chairman, ASCS has certain facts available. The Department has been working for a considerable time identifying the areas of the United States that are the target areas that have those types of soils. I am sure, however it will take considerable work as far as cost analysis and development programs.

Senator **Jepsen**. These things are, I understand, sort of opinion questions, so I will expect you to answer accordingly. But is it your feeling that the department that handles the subsidy, the programs, would they—are they anxious to cooperate with you, and have you worked together with them on soil conservation, and have you discussed this possibility of cross-compliance?

Mr. **Rank**. Mr. Chairman, we discussed at length the cross-compliance phase of the various operations; and, as a matter of fact at the present time, we are just beginning to look at various areas of cross-compliance but only for the purpose of seeing how such programs might operate and what the effect might be.

Senator **Jepsen**. Well, on page 3 of your formal testimony, you indicate that, in the last paragraph of that page, that the process of acceptance—well, I will read the whole paragraph:

> To assemble adequate data on a county-by-county basis would require innumerable man-hours as well as the acceptance of producer assertions with varying degrees of supporting documentation. The process of acceptance could result in numerous irreconcilable disputes which could lead to litigation.

I guess I will stop there and ask again: In your opinion, do we have in the files of the Department of Agriculture, even in Soil Conservation, information that is adequate enough to implement most any type of program we want to on a national basis, or that we would advocate? In other words, is it true that we have a lot of studies over there?

Mr. **Rank**. It is certainly true. They are scattered. Today, SCS maintains the information identifying the classes of soils in the United States. I am sure it would not be possible to identify all of the targeted areas.

Senator **Jepsen**. So SCS has it, and it will take coordination and effort to bring those things together to get that. Do you believe there is a need for that to occur?

Mr. **Rank**. Certainly if we proceed with this bill and it becomes law, then we would have to put the facts together.

Senator **Jepsen**. Assume we don't proceed with this bill. Should there be a coordination of all those materials? For example, we already have in the farm bill target areas. How are you and the ASCS deciding which target areas to identify? You say they have that information, and you don't have that?

Mr. **Rank**. We work with SCS on deciding what areas of the United States are in the most trouble. We are targeting funds into those areas where SCS has located their expertise. We are doing that today. In western Tennessee, which is land similar to Colorado land, the soil is fragile, and we have identified that area. We have targeted almost $1 million to that area. We have worked in the past with SCS, and we are doing so today in various locations around the United States.

Senator **Jepsen**. What I am getting at, and I won't pursue this a lot longer, and this is a spontaneous thing, but I have been concerned that we do have many, many years of many, many studies, and large amounts of information available, and that it sits in different files in different areas under different agencies. As serious as soil conservation is, we need somewhere, somehow, to pull all that together to really utilize it most effectively and efficiently, and some of the same things that I was probing for and inquiring about, you already do automatically in the targeted areas.

You have to go to them, do you, and look at the soil mapping, for example, in making a decision whether it should be targeted?

Mr. **Rank**. We sit down as a committee with SCS in these areas. They have the information to decide where the target areas should be, and we need to provide the funding. SCS has a lot of information available in the United States, but only for the areas where we have been involved in cost sharing with farmers. Colorado grassland areas, for example, have not been covered, unless the farmers ask for ponds or other practices on the farms. That is all the information we have. SCS has much valuable information on soil types and land classes. We work closely together. We have an excellent relationship with them, and we are presently getting the two agencies together to try to identify the problems in the country and meet the conservation needs.

Senator **Jepsen**. Going back to your testimony:

> To assemble adequate data bases on a county-by-county basis would require innumerable man-hours as well as the acceptance of producer assertions with varying

degrees of supporting documentation. The process of acceptance could result in numerous irreconcilable disputes which could lead to litigation.

From your testimony, what type of litigation might we expect from the implementation of this proposal?

Mr. **Rank**. I guess we need to identify the areas of Colorado with fragile soils, and those areas in which there is blowing. There is no problem in identifying these areas.

You get into problems with other areas of the United States that have fragile soils. That land is cropped with modern equipment and modern ways of farming, and farmers might ask why should they be restricted from the price-support programs. The farmer could ask, "Why should I be restricted when the problem with my farm is not what it is in Colorado, but the Government is restricting me in the same way?"

We are trying to point out some of the problems. We are saying that we would like to sit down with the committee and talk about all the problems we see with this legislation. We believe in the objectives you are trying to accomplish. However, we see some problems that need to be worked out.

Senator **Jepsen**. Senator Cochran, do you have questions?

Senator **Cochran**. Thank you very much, Mr. Chairman.

Mr. Rank, welcome.

I appreciate your being here and sharing your thoughts with the committee. I wonder whether or not you think there is a correlation between the commodity support programs and cultivating marginal lands. The thrust of this legislation, which is the subject of the hearing, presumes that, if commodity support programs weren't available, that farmers wouldn't cultivate marginal lands.

What is your reaction to that? Is there a correlation there?

Mr. **Rank**. There probably is to a degree, yes. I think there are other factors that probably enter into it, as mentioned by Senator Armstrong. The question was raised by him on taxes. I think tax incentives bear on this. So there is a correlation there.

There is a correlation to our loan programs and breaking new land out. There has to be an incentive somewhere for that farmer.

Senator **Cochran**. I haven't had an opportunity to read your complete statement, but do you support the bill or not?

Mr. **Rank**. We support the concept of the bill. We have concern with some of the provisions of the bill. As I say, we would like to sit down with the committee, and work out some of our concerns.

Senator **Cochran**. Thank you very much for being here and helping the committee.

Thank you, Mr. Chairman.

Senator **Jepsen**. I, too, thank you. I will advise you that we would like to submit questions to the Department for the record; and, as you probably know from our past, private conversations, and conversation again this morning, I will be most insistent that we develop not only an inventory over there, but that we develop some structure and procedure for bringing together all the information and in all the various agencies we have to move out into whatever direction, or to determine the direction we can move out in, that we do that together with everybody involved so that we try to get rid of some of this—and this is no reflection on you personally—but some of this bureaucratic, piecemeal, empire-building separateness that seems to exist, and USDA is not an exception to that. I know your concern is to do that, and I look forward to working with you.

Mr. **Rank**. Thank you, Mr. Chairman.

Senator **Jepsen**. Thank you very much.

So that we can hear from everyone this morning, I suggest the witnesses do now summarize their written testimony, and I would advise them that we will limit their remarks to 5 minutes so that we will have time for questioning.

We will be happy to include the full written testimony in the hearing record. If the hearing clerk will keep the time of each witness, then we are ready to proceed, and at this time I would like to call Mr. Milton Mekelburg, president, and Neil Sampson, executive vice president, of the National Association of Conservation Districts, and I would also like to call Tom Barlow, representing the Natural Resources Defense Council.

I have been advised that the Soil Conservation Society of America is going to submit written testimony.[1]

Welcome to the committee, and thank you for coming. Senator Cochran, do you have any remarks?

Senator **Cochran**. None at this time.

Senator **Jepsen**. You may proceed in the way you desire.

Mr. **Mekelburg**. Thank you, Mr. Chairman. We thank the committee for the opportunity to testify. I would like to make about three remarks——

Senator **Jepsen**. Would you identify yourself?

STATEMENT OF MILTON E. MEKELBURG, PRESIDENT, NATIONAL ASSOCIATION OF CONSERVATION DISTRICTS, ACCOMPANIED BY NEIL SAMPSON, EXECUTIVE VICE PRESIDENT

Mr. **Mekelburg**. I am Milton Mekelburg.

I would like to present a couple of statements on our policy position. I would like to raise a couple of questions, and I would like to turn it over to Neil Sampson, executive vice president, to talk about three or four points that we would like to raise in the bill and also show some slides.

The 2,950 conservation districts of this country support a policy of using the land within its capability. We do not like to reward farmers for tearing up their land. I think the issue of greatest concern is not the issue of cross-compliance, but the issue of subsidizing improper land use.

Senator **Jepsen**. Say that again, please?

Mr. **Mekelburg**. I think the question I see coming before the committee this morning is the need for a position on what constitutes cross-compliance and subsidizing. We believe, and our policy is, that you have to use land within its capabilities, and we do not like to reward farmers with Federal money to not use land within its capability.

I would like to turn it over to our executive vice president, who has some points to make.

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[1] See p. 64 for the prepared statement of the Soil Conservation Society of America.

Mr. **Sampson**. Thank you, Mr. Chairman. I am Neil Sampson, executive vice president of the National Association of Conservation Districts.

We would like to speak to a couple of the questions that are involved.[1]

As Mr. Mekelburg has pointed out, we think this cross-compliance issue is being vastly overstated in discussions of this particular bill.

Mr. Rank, in his testimony, correctly identified the first point that I think we need to keep in mind; that is, that cross-compliance has been in effect for the past 35 years. In 1952, when I was on the farm and we put land in the set-aside program that was in effect then, we put aside as many acres as we were required to, and did the practices that were required by ASC on that land. To comply with requirements by ASCS by land being set aside, in order to qualify for production programs—that is not a new feature at all.

Second, what we are talking about here is not normal production, but new production. We are talking about the sorts of subsidies that make it economically practical to go out on land that would not otherwise be economically practical to farm.

We are going to show you slides that indicate this problem is not limited to the West. It is a marginal lands problem. We will suggest limiting this bill to highly erosive land.

The question of costs of the program proposed by S. 1825 has been raised.

Let's take a couple of points about that. We are not talking about every farm in the country. We are talking about new land.

What would be the costs? We should ask the Department why can't they put a block in the application form that says, "None of the proceeds of this particular program will apply to the production from new land, land that is being brought into production in this crop year."

If the farmer answers in the negative--that it is not—the only cost is redesigning the form so the block is in there.

At the local level, between the ASCS, the SCS, the soil conservation district, the extension office, and all the neighbors in the county, USDA would know exactly whether people are plowing out new land or not.

Let's not get hung up in the problem of how difficult it is to discover this, or even where the marginal soils are. Soil surveys are, for the most part, complete on the cropland and the associated grasslands in the agricultural area.

Senator **Jepsen**. But not necessarily on new land.

Mr. **Sampson**. Oh, yes, because most of that is pasture and range that is in private ownership. A third of the country out there is publicly owned. There is not a lot of soil survey on the public land. But the public land is not part of this problem, so it doesn't matter. The conservation district and SCS have been working with most of that grassland while it has been in the hands of ranchers, being used for grazing. We are often talking about land that has been in and out of crop production three or four times. The Government has paid to put it, much of it, back into grassland several times.

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[1] See p. 48 for the prepared statement of Messrs. Mekelburg and Sampson.

While we must work only at the margin of new lands, let's not indicate that those are unsubstantial. USDA indicates that the 1981 wheat planting was over 30 million acres larger than the 1978 wheat planting. So it is not an inconsequential amount of new land that this is happening to, but nonetheless it is certainly not of the nature that we can't handle it.

In the proposal that we have brought, Mr. Chairman, we would like to volunteer that the conservation districts can become involved, because many times marginal land exists as small bits within farms that are, for the most part, pretty easy to handle.

We would like to see farmers be able to put an adequate conservation system on, working with their conservation district, then get away from the restrictions posed by this bill. I think the conservation districts, using the technical assistance of SCS, can do that, and we see that as little problem.

Mr. Chairman, you asked another question: What have other States done?

North Dakota sent us this copy of a resolution by their legislature, and I have appended that to our testimony. That is the only one we know of.

With your permission, I would like to turn to a few slides we brought; because, as I would like to point out, you have a lot of Colorado people here today, but we have problems outside that area. With your permission, Mr. Chairman, I will be as brief as I can.

[Slides shown.]

Senator **Jepsen**. These slides now, Neil, are slides of other States, besides Colorado?

Mr. **Sampson**. They are from all over. I think the written testimony we have provided stands on its own and identifies the places they come from.

Senator **Jepsen**. Do they include some from the other side of the one hundredth meridian?

Mr. **Sampson**. They are mostly outside.

We had terrible problems in the 1930's, but we have the same problems today.

Senator **Jepsen**. To give you a better appreciation of how difficult it is to get the bureaucracy to coordinate 42 years of study.

Mr. **Sampson**. From little dust devils in Utah to bigger storms in New Mexico and Oklahoma, the scenes look much the same—topsoil being moved off protected land by the wind. This field in Harmon County, Okla., had a wheat crop destroyed in the process. What is surprising is to see similar scenes from South Carolina, Virginia, Minnesota, Missouri, and Alabama.

The impacts on the land are devastating. This Colorado field needed emergency tillage four times, and still ended up looking like this. The topsoil in this Michigan field is converted to almost pure sand. In Nebraska, a new pivot irrigation system opened up the land to the damage shown in these two slides. Crops are either badly damaged, as in this field near Comanche, Tex., or buried as in this Kansas field. These next two slides might have come from Saharan Africa, but they didn't. They came from Texas.

Man's investments are damaged by the erosion that results from cultivating marginal lands, and often the people damaged are far downwind from the source of the trouble. Soil deposited by wind damages farm equipment in Kansas and piles up in fence rows in Oklahoma, Texas, North Dakota, and Colorado.

Here are highway scenes from Illinois and Kansas. This Goodland, Kans., road sign tells the story: "Caution: Blowing Dust Ahead." The costs of cleanup, whether on this railroad north of Roy, N. Mex., or this highway in Texas are significant, and we all pay for them in one way or another.

And the soil blown from misused land doesn't just fall on rural people. This scene in LaJunta, Colo., shows what can happen in just about any town in the Plains. The person who sent me this slide from the hospital district in Fort Worth, Tex., included the following note:

> You don't have to ask a doctor about the problems of dust like this, I can tell you. I have a son with asthma and when we get a dust storm like this, he has severe attacks and usually has to be medicated for a number of days and weeks before it clears up and he can breathe normally again.

Marginal land can also be highly susceptible to erosion from rainfall and snowmelt. Here the cause is usually slopes too steep or cultivation too intense for the soils to withstand the elements. Again, the photos look surprisingly alike, whether they come from Utah, Rhode Island, Nebraska, Connecticut, Minnesota, Illinois, Missouri, Tennessee, North Dakota, Iowa, New Hampshire, Alabama, Mississippi, or Montana.

Here, again, we see rough land in Nebraska. It is bulldozed smoothly so that the center pivot sprinklers can handle the terrain, but the land is susceptible to serious erosion damage from both wind and rain after it has been converted in this fashion.

We talked tax incentives. One study in Nebraska identified a total tax incentive of $115 an acre that is encouraging this kind of conversion, putting the Nebraska sand hills under irrigation.

In Georgia, conservation systems were taken out so that a center pivot could be put on a large block. They kicked the excess water into a patch of woodlands, which is now being buried.

Some marginal lands get so badly damaged by soil erosion that they never will be used again. This first one is from Illinois, this one is from Senator Cochran's State of Mississippi; here are scenes from Indiana and Oklahoma.

Even the deep black soils of the Corn Belt can only stand so much. In Minnesota, this cornfield is evidence.

I would close on this note, Mr. Chairman: Poor soils lead to poor farms and poor people. Federal farm programs that encourage the kind of poor land use that we have seen in these pictures should be discontinued. I don't think we are talking about preventing people from doing what they want with their land. We are talking about the Federal Government underwriting land damaging activity while we sit here and anguish over Federal budgets for conservation programs that can scarcely survive the way they are, we need to be very careful how much of our money is going to underwrite the scenes we have just seen.

Thank you.

Mr. MEKELBURG. Thank you, Mr. Chairman.

Senator **Jepsen**. While it is fresh, could you just give us a quick listing of the programs that promote and underwrite some of these problems that you can think of right offhand?

Mr. **Sampson**. There are the commodity and price-support loans. I have had conservation district supervisors write to me about these large farms in Montana being supported by Farmers Home Administration loans. I think Mr. Mekelburg had the right answer to a radio station the other day when it was asked, "How does financing encourage this?" I think he should tell you about this, because he is a farmer. But the loans and the price supports seem to be the biggest ones.

Senator **Jepsen**. What tax incentives?

Mr. **Sampson**. The investment tax credit and the capital gains taxation, mainly. Speculators buy the land at $125 per acre. They change it from rangeland to cropland and in a year get $450 for it, then leave the neighbors with the problems. Investment tax credit is very important, particularly fast writeoffs on sprinkler systems.

Mr. **Mekelburg**. A radio station asked me that question Monday, and it comes down to the net-worth statement. If you have used all your net worth as loan equity, but can increase your net worth by buying, for instance, $150 land and turning it into $300- or $400-an-acre land, you have immediately increased the value of your net worth.

Senator **Jepsen**. Before we proceed any further, Mr. Barlow, representing the Natural Resources Defense Council, you may proceed.

STATMENT OF THOMAS BARLOW, NATURAL RESOURCES DEFENSE COUNCIL

Mr. **Barlow**. Thank you, sir. I am Thomas Barlow with the Natural Resources Defense Council.[1]

Mr. Jepsen, we want to thank you very much for bringing this issue back before the Congress time and again in a quiet and steady way. We think that is the manner in which the excessive topsoil erosion is going to be solved.

It takes a lot of courage to look at this problem at this particular time when the farm economy is under such heavy pressure, but we believe there is a silver lining here in that it will keep us looking at cheap conservation.

It will keep us realizing that cheap agricultural production is dependent on our topsoil resources.

We see this bill before you as not a significant step in what it is setting out to do. As Neil has said, the conservation features that are being asked for in new land being brought into production are nothing different than the conserving uses that have been asked of farmers for set-aside land in the last 30 years. It is a small step. There is significance here, but it will be a series of small steps, such as this, that we believe at the time are going to bring us out on top of this problem, and we express our appreciation to you for the manner in which you are doing it.

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[1] See p. 50 for the prepared statement of Mr. Barlow.

We believe that rather than be tied up in determining land classifications, that it might be wise to consider this legislation for all land. Good land can be abused. Marginal land, as has been pointed out in some of the statements, can be wisely extended with the new equipment, and with the development work coming down the line in the next 10 or 20 years and the needs for food production, we believe there are technologies that we can use to be able to keep on producing from marginal lands.

Some people have said that this is a local problem that is being focused on here in Senator Armstrong's State, and that it should be tended to locally. We would say this, that your own State has set the goal, as you pointed out in prior hearings, of bringing lands that have excessive erosion down to tolerable rates within the next 10 to 20 years. If Colorado were to go the same route, the farmers in both Iowa and Colorado would be taking on some measure of burden and responsibility to the soil.

And if farmers in other States continue to receive Federal financing, and perhaps in some cases there is abuse of the soil with this financing, as the production goes into markets from this abused land, it will impact the farmers in Iowa, and it will impact the farmers in Colorado and any other States that has taken on a soil conservation goal. We don't think the Federal Government should be in the business of underwriting that type of undercutting of those goals.

I have, which I can submit for the record, and it is not a part of my statement, but we just took six States at random out of the western tier, and from the SCS these are the millions of tons of soil lost annually from sheet erosion, from wind erosion. The total of the two, and the acres that contribute to it are shown. We picked the States of Kansas, Nebraska, North Dakota, Oklahoma, South Dakota, and Texas, if we can submit that for the record, I would appreciate it.

Senator **Jepsen**. It will appear in the record.[1]

Mr. **Barlow**. Thank you.

Senator **Jepsen**. I want to thank all three of you for your statements, and for sharing the slides with us. They give us a picture of the extent of the problem. If we didn't realize before, we realize that soil erosion occurs nationwide.

I appreciate your testimony here today. Neil, I am also grateful for the leadership that the National Association of Conservation Districts continues to offer in the area of soil and water conservation. I want to compliment you on your recent book. I might add that it is a good example of private-sector initiative, and we need more of that.

I, too, want to clarify one particular point for the record.

In your testimony, you mentioned that, despite its strong track record in supporting conservation, and I am now quoting, "NACD's Council has not supported a cross-compliance type of program."

I would appreciate it if you would elaborate on this and tell us what some of the reasons might be, and also if that is your official position being against cross-compliance, how does that square with your testimony on S. 1825?

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[1] See p. 52 for the material referred to by Mr. Barlow.

Mr. Sampson. I tried to point out that I don't think S. 1825 is cross-compliance. Our policy has never been squarely against cross-compliance, but when that word is used, our council has always failed to adopt.

Unfortunately, I think cross-compliance has gained a word association much like land use. All we have to do is mention it and everyone runs for the exits. I want to point out to you that for a farmer to comply with Federal restrictions—what he can or cannot do with his land—has been a part of farm programs for 30 years, and our association has supported them. We have a policy that the Federal Government should not encourage farmers to do the wrong thing. We do not see this as a cross-compliance bill, and we think casting it in that light abuses it.

Senator Jepsen. Semantically, what would be a synonym for cross-compliance that would be acceptable?

Mr. Sampson. I don't really know. I think we need to go back and look at what Mr. Rank was saying up here, which was that we look at this all the time and we look at the compliance factors that are needed, and we operate accordingly. The notion of cross-compliance is just so old that bringing it up as a new issue is startling. I was a practicing soil conservationist at the time when the soil program required in the Northwest, the farm program required farmers to summer fallow their set-aside land in order to qualify for price supports. Summer fallow, in that area, is the worst possible cause of soil erosion.

Those are the kinds of things that we are trying to root out. I think we have been reasonably successful on the summer fallow, and we are trying to work on others.

Senator Jepsen. Do we have an inventory that is sufficient for what we need? Is it utilized as it should be, and is it available in the USDA? I am asking a whole series of questions.

Mr. Sampson. Yes.

Mr. Mekelburg. I would like to comment on that.

Senator Jepsen. Please. I would like to pursue this a little further. Is it utilized?

Mr. Sampson. Yes.

Senator Jepsen. Is it utilized sufficiently?

Mr. Sampson. I think there are cases where it is not. In the field, it is used on a daily basis. The communication with the SCS and the other staffs at the local level is a lot better than it is normally given credit for here. The communication between the conservation districts and the ASC and those folks is a lot better than is sometimes indicated in the high-level turf battles that go on in this town.

I don't find our districts, in any sense, nervous about their ability to work with the local level, nor do I find the other agencies nervous.

Senator Jepsen. All right.

Do you believe that the problem of soil conservation is truly national in scope?

Mr. Sampson. Yes.

Senator Jepsen. Do you believe that problem requires congressional action?

I will repeat the question. It is national in scope. Does it require congressional action?

Mr. SAMPSON. Obviously it is truly national in scope. You chair a committee on soil conservation which is already taking national action. So I think that question sort of answers itself in that regard.

Senator JEPSEN. Let me pursue that a wee bit further. Should the problem, as has been outlined here today, be addressed by congressional legislation?

Mr. SAMPSON. I sincerely believe that. I believe the new lands problem, which is what we are looking at, is exceptionally serious. Mr. Mekelburg is holding a piece of paper from USDA which indicates that the wheat crop planted in 1978 was 88.9 million acres, compared to 56.9 million in 1968. We have a significant amount of new cropland coming in. It is almost 10 million acres a year. In 1977, this Nation was judged to have some 127 million acres of land in reserve. Fifty million acres of those have already been plowed. Many of those acres were not marginal areas, but I am sure you will hear from the Colorado folks that many of them were. The problems they are causing are many, and we think it takes congressional action to prevent the underwriting of that abuse by Federal subsidies.

Senator JEPSEN. To get rid of the Federal inducements that cause that?

Mr. SAMPSON. That help cause it. They are not the sole cause.

Senator JEPSEN. We can do something to eliminate them.

Mr. Mekelburg.

Mr. MEKELBURG. You made my statement, and I would like to agree that the Federal Government get out of the financing, but still focus on a national conservation program.

Senator JEPSEN. In summary here, I have been advised that the USDA figures do not account for shifts between different crops. Is that true?

Mr. SAMPSON. The bottom figure, the total figure that I gave you, did. The 10 million acres of new croplands would, in fact, cover all crops. The 88 million acres versus 56.9 of wheat obviously reflected some shifts in crops as well as some additions.

Senator JEPSEN. Is there anything you would like to say in closing? I appreciate your testimony, and your candid response to a number of things.

Mr. Barlow, I have a question here. Coming from you, the statement on page 2 is somewhat surprising, the statement in the last paragraph on page 2. It says, "In closing, I would like to apologize for the lack of attention paid by the environmental and conservation community to this very critical environmental problem area."

Would you elaborate, and why do you feel this way?

Mr. BARLOW. It is a fact that the national environmental and conservation organizations have not been putting in the time on this issue. They have, in certain areas of the country, in their local chapters, shown their concern, but the national organizations have not been appearing before Congress as these hearings have been held over the last 4 or 5 years. Subsequent to the passage of RCA, for instance. Hearings that you have held have had maybe one or two of these organizations in attendance, and that is a disgrace.

Senator **Jepsen**. I note you are representing the Natural Resources Defense Council. How does the membership of the NRDC arrive at its various positions on environmental and conservation issues?

Mr. **Barlow**. We work with our trustees and when we see problems that our people are pointing to in this situation, and the agricultural professional community has been pointing at this, we feel that there is a need for us to bear witness to the problem, and that has been bringing me down here at every opportunity.

Senator **Jepsen**. Thank you kindly. Thank you very much, gentlemen.

Mr. **Barlow**. Thank you.

Senator **Jepsen**. I would now call Mr. James Miller, assistant legislative director, National Grange; John Stencel, president, Rocky Mountain Farmers Union, representing the National Farmers Union; and Mary Kay Thatcher, assistant director, Washington office, American Farm Bureau Federation.

Again, ladies and gentlemen, welcome, and thank you for your contribution.

Your statements, if you have them, will be entered into the record. You may proceed in any manner and order that you wish.

Mr. Miller, we will start with you since you are the closest.

STATEMENT OF JAMES MILLER, ASSISTANT LEGISLATIVE DIRECTOR, NATIONAL GRANGE

Mr. **Miller**. Thank you, Senator Jepsen.

I have submitted a copy of testimony, and I appreciate the opportunity to appear here today.[1] I would also like to express our appreciation on behalf of the National Grange for your dedication to soil and water conservation.

We recognize it is an important issue, and it certainly is encouraging to have the kind of support and leadership that you are offering.

My statement today will basically highlight what we consider to be certain flaws in the bill as presented, although there is no question whatsoever that the issue is an important topic, and must be dealt with in as efficient and expeditious a manner as possible.

A couple of brief points and then I will wrap it up.

The issue of crop subsidies, I think, is an important one and must be dealt with. I think that there is no question but what the farm programs probably need to be looked at with their conservation impacts in mind. I would, however, caution with a bit of Grange policy that we would like to see implemented. Our organization has called for a program whereby variable deficiency payments would be incorporated, and we think not only would this have the effect of reducing surplus commodities in the years that they are indeed in surplus, but would also have the effect of reducing that increment of incentive that exists to plow up marginal lands. There is no question but what the unused lands in this country that are being plowed up is the focus of this hearing today.

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[1] See p. 53 for the prepared statement of Mr. Miller.

But if there is one thing that has come out, it is that it is not a clear cut and simple problem, that the concept of the farm program supports and issues of tax subsidies that have been brought out are important things to keep in mind.

Our testimony speaks to the idea of the tax incentives that we think are at work, and I am glad to see that they have not been minimized, as one of those factors that is at work here.

Finally, dealing with the issue of cross-compliance, I think one thing needs to be stated and restated again, I think, and that is that cross-compliance is a concept that will, in essence, take the voluntary nature out of soil conservation.

Rather than remove the voluntary approach to soil conservation, I think it is an aspect that ought to be built upon, and one which is the focus of our conservation programs in this country. I think farmers and ranchers generally have much pride in the nature of their operation, and to take the pride that the ranchers and farmers have in their ability to produce crops and take care of their land and to use that as a cornerstone upon which our conservation programs are built I believe would pay the most benefits in the long run.

Thank you.

Senator **Jepsen**. Mr. Miller, thank you for being with us today, and I thank you for your comments.

I notice in your testimony that the National Grange opposes any form of cross-compliance, and you also mention that certain tax incentives lead to the conversion of marginal land. Could you give the committee details of your feelings on this issue, for example?

Mr. **Miller**. We believe that agriculture is entirely a different creature that must be dealt with with a different set of ground rules when it comes to the tax laws and the tax incentives that exist in the general U.S. Tax Code. I think that investment tax credits, accelerated depreciation and capital gains treatment for certain croplands, sales and resales, undeniably will cast their influence on a decision that a rancher might make or a farmer might make as to expanding his farming operation and tear out some of that cropland, or go into a pasture area and convert that to crop usage.

If the content of the tax incentive is examined in the nature of how it affects that conversion ratio, I think our time and our efforts would better be spent rather than trying to convert the voluntary soil conservation programs that we have now to anything that approaches a mandatory conservation program.

Senator **Jepsen**. Thank you.

Mr. Stencel, you may proceed.

STATEMENT OF JOHN STENCEL, PRESIDENT, ROCKY MOUNTAIN FARMERS UNION

Mr. **Stencel**. Chairman Jepsen, I also appreciate the opportunity to be here today, and on behalf of our membership I want to thank you for the opportunity to appear and support Senator Armstrong's legislation.[1]

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[1] See p. 54 for the prepared statement of Mr. Stencel.

Because the Farmers Union speaks in the interests of family-owned-and-run operations, we have very special reasons for supporting this bill. We feel that Senate bill 1825, both directly and indirectly, responds to many of the crucial issues that are facing American agriculture today.

We feel that the bill serves a vital need in bringing farm policies in congruence with one another by prohibiting price support payment to operators who plow out fragile soils. It brings to an end the present situation wherein the Federal Government acts as an accomplice in the erosion process. Current law permits investors to obtain Federal assistance for abusing land. We find this contradiction intolerable.

More than 400,000 acres in Colorado rangeland have been broken out in the period from 1979 through 1981, as the chart indicates. That trend has accelerated in the last 3 months, and thousands of acres of our grassland are disappearing under the plow each day. The unfortunate combination of high winds and inadequate moisture this spring has brought the prophecy to pass sooner than most of us expected.

Concerning one of the local dust storms in Greeley, it was said, "The blowing dirt blotted out the Sun. The fence along the west side of the county road—what's left of it—is buried in a collection of weeds, topsoil and sand. The adjoining field is virtually bare; young wheat plants sliced off at ground level by the biting sand."

Those dust storms underlined the need for immediate action on this issue. But to properly address this problem, we must first answer three important questions:

Who is responsible for the plow-up?

What are the grasslands being broken?

What is the danger, if any, of this trend?

The Rocky Mountain Farmers Union spent the past several months researching this issue in an effort to answer these questions. What we discovered is a marriage of large custom farmers and foreign owners who are breaking the grassland for an immediate profit without regard to the long term environmental and economic considerations.

According to the U.S. Department of Agriculture, Colorado contained 320,000 acres of foreign-owned land on December 31, 1980, an increase of 37.5 percent in only 23 months.

A survey conducted by our organization of the Foreign Investment Disclosure Act statements filed in six selected Colorado counties reveals that the trend has rapidly escalated in the past 16 months. Many of the files disclose transactions conducted since the USDA's latest report in December 31, 1981. In fact, the files studies in April disclosed that four eastern Colorado counties alone contain 191,000 acres of foreign-owned land.

Comments included on those disclosure forms tell the sodbusting story:

"Pasture is to be changed to farmland," reads one report, while another states, "We have put all of this land into crop production except 530 acres." A third report explains, "The foreign owner hires local farmers on hourly rates to break ground and plant crops."

These statements parallel the USDA's conclusions about foreign ownership of American farmland. In a report published in July, 1981, the USDA states:

> Important differences were found between farming operations on foreign and U.S.-owned tracts in (1) livestock hay, and pasture production, (2) investments in improvements and conservation, (3) marketing of crops, and (4) leasing arrangements.

While I do not want to get sidetracked into the specifics of all of those areas, it is important to note that the USDA found the percentage of farmers who engage in livestock production was the lowest on foreign-owned tracts, and highest on owner-operated acreages.

Likewise, the study concluded:

> Investments in land improvements, primarily fences, drains, and terraces over the last five years were least frequent on foreign-owned tracts and most frequent on owner-operated tracts. Conservation practices on cultivated land with slopes over five percent were also least frequent on the foreign-owned tracts.

This leads to the question: "Why are the grasslands being plowed?"

Quick profit is a prime motive, since $150 per acre grassland can be converted into $300 per acre wheatland with the passing of a plow. A handful of custom farmers in Colorado are now involved in the process of buying grassland, breaking and planting it, and then selling it to foreign owners at its wheatland value.

The role of Government farm programs in encouraging this trend cannot be ignored.

We have created a situation where the Government farm programs, which were originally designed to foster an owner-operator system of agriculture, are instead serving as a type of foreign aid program for wealthy investors in Canada and overseas. S. 1825 would remove the Government incentive for this destructive agricultural practice.

If we fail to enact S. 1825, we will have set the stage not only for increased soil erosion on the American high plains, but for economic decline as well. As an SCS official observed recently, "Every time one of these ranches is bought out, one less family lives here." That is the crux of the problem.

Our most serious erosion problem in the United States is the erosion of farm and ranch families from our soil. Those are the families who produce our abundant food supplies at reasonable prices, and who have been documented to be the best stewards of our food resources. S. 1825 will help halt this form of erosion. We are pleased to endorse this bill.

In the months and years ahead, we will be working for additional measures which will erase the tax incentives for foreign investment, and which will return our domestic farm programs to the role of fostering growth among the moderate-sized segment of farm and ranch owners.

Thank you.

Senator **Jepsen**. Mr. Stencel, I would like to commend you for your fine statement. A couple of quick questions:

Does your position represent the National Farmers Union, as well as the Rocky Mountain Farmers Union?

Mr. **Stencel**. Yes, it does.

Senator **Jepsen**. Does your organization have a position on cross-compliance?

Mr. **Stencel**. The Rocky Mountain Union does not, but the national organization does.

Senator **Jepsen**. What is it?

Mr. **Stencel**. We have supported cross-compliance provisions in the past. When we talk about this legislation, however, Mr. Chairman, we are not talking about cross-compliance. We definitely feel that, because of the types of owners, as I mention in my testimony, that these people should not receive not only ASCS payments, but Farmers Home Administration payments, as well as other types of farm program moneys. Perhaps that denial would keep them from breaking up the land.

Senator **Jepsen**. The problem of sodbusting is primarily done by large custom farmers and foreign owners. Are there additional ways, other than the ones you just mentioned, in which you would address the problem?

Mr. **Stencel**. The tax laws need to be changed, as has been mentioned earlier. Definitely, when we take a look at types of laws that are on the books presently, they allow for people who are doing this to—it enhances it, just as has been mentioned earlier. Machinery, land, all of those kinds of incentives, and then the increased value of the land, also, as was mentioned by Mr. Mekelburg. They are all problems, and I think that we definitely would support tax legislation as well that would change the situation.

Senator **Jepsen**. I was very interested in your analysis of the practice of planting the marginal land in wheat and the eagerness of those who plant this land to establish an average crop yield in the first year of operation. Isn't this unusual as far as normal farming practices go?

Mr. **Stencel**. Well, there are many people who are going to be testifying after this panel who are actually engaged in the production of wheat, but I know that in many cases that land has been broken out during the fall and the winter—excuse me, in the spring and the summer—and then planted that fall, a few months later, to wheat, and that land plowed just last spring and summer and then planted with no rain, there are entire sections, section lines in part of an area, those entire lands are now, without a crop on them—it did not come up, some of it. That which did come up has now burned off or died. It has left the ground totally bare.

Senator **Jepsen**. Is this a growing practice?

Mr. **Stencel**. Generally not. Among most farmers they do practice summer fallowing measures, and they do strip farm. In most cases, they are strip farming.

Senator **Jepsen**. This sodbusting, it is sort of a real estate promotion scheme, isn't it?

Mr. **Stencel**. I think it is.

Senator **Jepsen**. It sounds like it.

Mr. **Stencel**. There are large real estate promoters in the State who are sponsoring this. I know three of them, one in Fort Collins. They are doing it for the purpose of making a quick buck.

Senator **Jepsen**. Have you talked with them about soil conservation?

Mr. Stencel. Yes, and one gentleman said he has never practiced summer fallowing and does not intend to.

A recent purchaser of lands said that he has practiced it in his country in Canada, and he maintains he perhaps does a better job here. When he was sold the land, he didn't realize the fragile nature of the land, but now that he does understand, he would probably be more inclined to practice better soil conservation practices. So you have one extreme to the other extreme.

Senator Jepsen. Thank you, Mr. Stencel.

Mrs. Thatcher, you may proceed.

STATEMENT OF MARY KAY THATCHER, ASSISTANT DIRECTOR, AMERICAN FARM BUREAU FEDERATION

Ms. Thatcher. We also appreciate the opportunity to testify this morning.

Ninteen hundred and eighty-two is emerging as the third consecutive year that farmers will be facing increased costs and low farm income. As a result, farmers are likely to engage in numerous practices which could affect soil conservation in order to increase their cash flow in these difficult economic times. Farm Bureau believes that the Federal Government should not provide incentives which increase soil erosion problems in certain areas.

S. 1825 is designed to counteract the incentive the Government is providing to plow up new lands. The bill states that, if individuals cultivate lands west of the 100th meridian which were not cultivated during the last 10 crop years, they will not be eligible for farm storage facility loans or Government price support assistance for the commodities raised.

An exception is made if the owner or operator of such land has entered into a long-term agreement with the Secretary of Agriculture to carry out land conservation practices.

During the American Farm Bureau's 63d annual meeting, the voting delegates of the member State Farm Bureaus adopted the following policy concerning soil conservation:

> We oppose economic incentives to artificially stimulate producers to bring fragile lands under cultivation. Fragile grasslands are defined as those lands highly subject to wind and water erosion that have a projected erosion rate in excess of 5 tons per acre per year in the absence of soil conservation practices.

> We oppose economic incentives to artificially stimulate producers to bring fragile lands under cultivation. Fragile grasslands are defined as those lands highly subject to wind and water erosion that have a projected erosion rate in excess of 5 tons per acre per year in the absence of soil conservation practices.

Farm Bureau believes there are a number of deficiencies in S. 1825. The bill proposes to withhold Government assistance from certain farmers only during the marketing phase of farming. Farmers face two major risks: a risk during production and a risk during marketing. Federally subsidized multiperil crop insurance and Federal disaster programs are significant factors in a decision to break fragile lands, lands more frequently susceptible to crop failure. This production-risk factor is not addressed in S. 1825.

S. 1825 is tied to land not cultivated within the past 10 years. Our concern is not whether the land has recently been in production per se, but whether the land is suitable for production. Many lands not currently in production can be safely cultivated. Many lands not suitable for row crops could be safely utilized for specialty crops. Many lands with excellent production potential have been idled for years because of personal circumstances of the owner. And some lands will be destroyed if brought under the plow. S. 1825 makes no distinction between new lands and fragile lands.

S. 1825 addresses lands west of the 100th meridian only. Excess erosion resulting from cultivation of fragile lands is not only a Colorado problem or a western problem. It is a concern anywhere it occurs in the country, and the Federal Government should not encourage such problems anywhere.

We appreciate this committee's willingness to hold hearings to consider this important issue. We urge the committee to consider a substitute for S. 1825 that would deny Government incentives, including, but not limited to, commodity price supports, commodity loans, Federal crop insurance, disaster payments, and FmHA loans for any new production on fragile lands. Fragile lands would be defined as lands under the land capability class system of the SCS, USDA, placed in categories IV through VIII, specifically land capability classes IVe, Ve, VIe, VIIe because of excess erosion potential, unless the local conservation district certifies that such production will not result in excessive erosion.

We would be happy to respond to any questions.

Senator **Jepsen**. Thank you, Ms. Thatcher. Would you say your support for a substitute bill for S. 1825—I understand you have a substitute bill——

Ms. **Thatcher**. Yes.

Senator **Jepsen**. Would you say that substitute bill is even a stronger measure of cross-compliance?

Ms. **Thatcher**. Again, I have to a agree with what has been said most of the morning, that we do not view this bill as a cross-compliance bill.

Senator **Jepsen**. Well, I point out that a couple of weeks ago, the Farm Bureau testified on the RCA program, and they stated in the testimony, "The program calls for cross-compliance projects with the producers receiving Farmers Home Administration assistance. The Farm Bureau opposes cross-compliance."

If you are consistent in opposing cross-compliance, and I think we again get into the area, somewhat, of semantics, that we don't want Government involved in doing anything that would induce that, but it says if you do some of these things, they will treat capital gains differently than they would otherwise. Are we going to change the whole capital-gains law for everyone, or do we specifically pinpoint southwestern land developments? It is not an easy thing to get at. Does anyone have any suggestions, or any closing comments?

Ms. **Thatcher**. We wouldn't support the cross-compliance issue, but the definition of cross-compliance is really requiring conservation as a precondition for other farm programs. This bill is not doing that. It just says we should not encourage farmers to do these practices.

Senator **Jepsen**. Thank you very much.

Mr. **Stencel**. Mr. Chairman, if the committee were so inclined, I would suggest, because we do have county ACS offices, that we have the reporting of those people who are breaking out the land.

It is very easy to tell, and if there was an inclination to provide those kinds of incentives for not doing it, whether it be moneys for a farm program, or Farmers Home Administration, as well as tax incentives, I would encourage the committee to look into those things.

Not for the record, Mr. Chairman, but perhaps for you, you asked a very specific question of me about different practices. In our recent issue of our monthly newspaper, "The Rocky Mountain Union Farmer," I have several stories which perhaps you would be interested in, specific statements by individuals who are involved in the sodbusting.

Senator **JEPSEN**. Thank you. I would be interested if I might have a copy.

Thank you very much, all of you.

Mr. **STENCEL**. Thank you.

Senator **JEPSEN**. I would now call the next panel. Is Mr. Silkman here?

Mr. **SILKMAN**. Yes, Leon Silkman, president, Colorado Association of Soil Conservation Districts, Burlington, Colo.

Senator **JEPSEN**. Ms. Phillips.

Ms. **PHILLIPS**. Yes, Edith Phillips, Ault, Colo.

Senator **JEPSEN**. Ralph Yoder.

Mr. **YODER**. Yes, Ralph Yoder, Karval, Colo.

Senator **JEPSEN**. Keith Propst.

Mr. **PROPST**. Yes, Keith Propst, president, Colorado Farm Bureau Federation.

Senator **JEPSEN**. Mr. Frasier.

Mr. **FRASIER**. Yes, Marshall Frasier, president, Colorado Cattlemen's Association.

Senator **JEPSEN**. This is a 100-percent pure Colorado delegation. We welcome you to this hearing and thank you for coming. I am looking forward to hearing your testimony today. I might point out that many have testified today that there are other factors, and the question is the farming of marginal lands. I would hope, among other things, that we could discuss what guarantee we could have that would eliminate some of those problems.

Would you identify yourselves for the sake of the record, and then you may proceed in alphabetical order, or maybe we will start to my immediate left and move right on down, if that is agreeable with everybody.

STATEMENT OF LEON SILKMAN, PRESIDENT, COLORADO ASSOCIATION OF SOIL CONSERVATION DISTRICTS

Mr. **SILKMAN**. Thank you, Mr. Chairman and members of the committee. I am Leon Silkman, president of the Colorado Association of Soil Conservation Districts and a farmer from Burlington in eastern Colorado.[1] I am here to testify in support of Senator Armstrong's proposal to prohibit economic incentives for crops produced on newly plowed fragile grasslands. I have submitted detailed information, but we need to change some of it. It is very interesting that in late fall and midwinter, the acreage in Colorado totals 390,000 acres. In late September, it totaled 417,000 acres. Today, we are using the figure of 500,000 acres; 50,000 acres of that has been plowed out since March 1.

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[1] See p. 56 for the prepared statement of Mr. Silkman.

I am personally going to be impacted because 12,000 acres, less than 7 miles from my home, have been sold to absentee owners who have already removed the fences in preparation for plowing.

The Colorado Land Use Commission is meeting this morning in Denver to take action on a request to the Governor on a plowout of any additional lands for a period up to 30 days. This action was requested by four counties in a public hearing held April 27, 1982 in Greeley, Colo.

Rather than repeat what others may say, I wish to present a brief case history of one operator in one county with some pictures to illustrate the issue.

This one operator is involved in joint tenure with different persons in six Colorado counties. A case history will involve this operator's activities in one county, in Lincoln County. All the information I present is from the public record and available in offices in Hugo, Colo., which is the county seat.

In 1980 and 1981, this operator broke out 6,162 acres of grassland in Lincoln County. Currently in 1982, he has broken out an additional 10,900 acres. During the 1981 year, he received the following payments from Government programs for crops produced on the lands he plowed out. Wheat deficiency payments on 38,322 bushels of wheat total $5,748.30, based upon the yield of 12 bushels per acre. Commodity loan on 112,588 bushels of wheat for a total of $341,141.64.

His additional reserve of loan totaled approximately $297,000.

I do have some photos. I will leave these photos with the committee. This first view shows some of the gullies in the land.

The second view shows the size of tractors they are using and the ripping implement behind them. We have been told these are experimental models of the tractors supplied to this party at no cost to him if he agrees to test them under field conditions.

This third shot, you can see the sandy nature of the hills. About 80 percent of this nature of land is class VI. The topsoil is between 1 and 4 inches thick. The soil pH is eight or greater. Wheat grows best at a pH of 7.2 or less. As the pH increases, wheat growth is limited and yields are dramatically lower and erosion increases.

This fourth photo shows a stock water pond in the midst of the plowed area. You can see the saline ring of soil around the edge of the pond.

This pond and other improvements were installed as a part of the Great Plains conservation contract by the previous owner.

Federal money paid for these improvements totaling $21,814.98 during that GPGF contract. Additional moneys from the agriculture conservation program were spent on this property every year from 1977 until the ranch was sold to this current party in 1981.

All these conservation practices have been lost in the plowing. I will leave this with the committee as well as additional information on Arapahoe, Kit Carson, and other counties. We do not consider S. 1825 as a cross-compliance bill, anymore so than any of the other programs now available. I mean the reserve and the loans and a number of things, you have to comply like with the reduced acreage program and so forth for any of them, and we feel that S. 1825 is no more cross-compliance than that, and we do not consider it cross-compliance.

Senator **Jepsen**. Thank you. I know Senator Armstrong appreciates your support for S. 1825. From what I have heard here today, I have no doubt that conversion of grassland to cropland is a serious problem in eastern Colorado.

To address your problem, I wonder if you could just briefly share with us some of the efforts that have been made to address the problem on the local or State level in Colorado.

Mr. **Silkman**. The local level I alluded to recently, in the meeting of the counties concern of the land plowed out a number of years ago, and sold to absentee owners and foreign investors, and underlined by sands, which took a number of years to reestablish.

The request is now in and has been since that meeting for the Governor to sign a moratorium on plowouts to give the counties concerned an opportunity to pass a land-use ordinance, which, in most cases, they are very hesitant to do.

In our local county, just 3 days ago, a good friend of mine who is a commissioner went to a southwest corner after plowout by foreign investors of a large ranch there. He came back very upset and sorry over what he had seen, and the huge equipment as shown in the picture there was being employed there, and he described it as a beautiful ranch, and its best use was to grow beef and raise meat on, and he spoke about the evidence of the soil. He also spoke about the evidence of the sandy conditions he found there.

I believe that the counties, in part, of Colorado are ready to try to do something to alleviate the problem.

Senator **Jepsen**. Thank you very much, Mr. Silkman.

Excuse me just a second. I have been asked to come to the floor of the Senate.

Ms. Phillips, will you proceed, please?

STATEMENT OF EDITH STEIGER PHILLIPS, KEOTA, COLO.

Ms. **Phillips**. I am Edith Phillips, from Ault, Colo.[1] I am very angry. The Federal Government implicitly encourages speculators to plow fragile grassland. As a result, I have been blown off my land with my cattle.

On May 17, 1979, when the red and yellow cacti were in their glory, a speculator with huge tractors and plows, raped and killed the Keota grasslands. He did this in 2 days and 1 night. He has now plowed 23,000 acres of fragile grassland around my case. After 50 years, there are sand dunes, and fencerows impacted with sand and dirt. It is a sorry sight of destruction and it shouldn't have happened.

The house my father built in 1911 and which I am in for retirement is full of dirt. Also, the barn. The 7-year-old windbreak that I have slaved and prayed over is ruined, 700 trees, and now we have deadly rattlesnakes seeking out the area since they have lost their prairie homes.

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[1] See p. 59 for the prepared statement of Ms. Phillips.

One speculator within 3 years has plowed more than 100,000 acres of the 450,000, and now we understand 500,000 acres, plowed in Colorado. He has one objective; to plow quickly and sell quickly to rich Canadians who are deceived.

It took 50 years to bring back the grass. Now the Government will be reseeding it. At this very hour, one six-section block is being plowed, plus one whole township. This land is classified VI. Not even grass grows on it. Yet the Canadian says he will grow a wheat crop and, if he fails, he will get goodies from the Government.

It was easy to see the Keota disaster. The 1930's changed my whole life. I cannot forget what happened. I tried for 3 years to get the county commissioners to act. Colorado has a dust law, giving commissioners responsibility to act. I wrote several letters, one to Senator Hart, who never responded, and one to Senator Armstrong. I was advised of S. 1825. I jumped for joy.

It wasn't until the Rocky Mountain Farmers Union got action with full-page pictures and editorials, that the county commissioners at last contacted the Governor. The Colorado Land Use Commissioners came into the picture. All this happened only after the Greeley Tribune and the three TV networks and even the New York Times sent photographers to Keota.

The speculators and Canadian buyers, particularly, are worse for their irresponsible strategy and block-farming methods. Today, a decision will be made by our Governor to help the county commissioners act to stop the plowing.

Now, 30 States have alienated ownership laws limiting the ownership of agricultural land. Colorado hasn't. Yet it is the third highest of foreign ownership of agricultural land. I can't understand why, for the life of me, the Canadians do not put their millions in established wheat farms that are for sale. If there is one thing we don't need in Colorado, it is another 500,000 acres of wheat. The huge surplus is killing us. In Weld County alone, 88,900 acres of fragile grassland have been plowed the last 2 years, 55,000 in the last year. All speculators, except one small portion. I urge your committee to stop the destruction of our grasslands.

Why are we selling wheat to Russia? She uses it to produce yellow rain. This deadly yellow rain is killing thousands of people in Cambodia, Laos, and Afghanistan.

In Colorado, the sodbusters have become content to make fast bucks. It is already past midnight for action, and it should have been done long ago.

Senator Jepsen. Thank you, Ms. Phillips. You have certainly related a dismal story. Since 1884, my grandparents and father and now my brother have had a family farm and farm interests. You have my sympathy for what is happening to your land.

In your testimony, you mentioned that the reason sodbusting continues is due to lack of State laws in Colorado preventing such practices. You mentioned that other States have laws with respect to foreign ownership of land and Colorado does not. Do you believe that S. 1825 will take care of the problems that you described for us today?

Ms. Phillips. The Canadians around my place, they are young kids from Canada. Can you imagine spending $1.2 million for class

VI lands. The plan told them, "If you don't succeed, the Government has all these goodies for you. You can't fail."

In order to sell his ground, he has deceived these young farmers from Canada. Around my place, $1.2 million for a 4,000-acre lot, and we have a man right now who paid $4 million for sand dunes. He can never raise a crop down there. I can't wait for him to lose his shirt and his pants on that deal, because he will. Nothing will grow on it.

Senator **Jepsen**. Thank you very much.

Mr. Yoder.

STATEMENT OF RALPH YODER, KARVAL, COLO.

Mr. **Yoder**. Thank you very much for letting me testify here.[1] I am in total support of S. 1825. I think this is a move in the right direction, and personally I believe, in time, that all farm subsidies should be eliminated. I think a lot different from a lot of people, but being a cattleman-farmer I do not take subsidies, and we manage to stay alive. It is pretty hard right now, but I don't think it is the taxpayers' responsibility to support other industries.

Another thing: If people think we have dust problems this spring, compare it to 1930. There wasn't very much land plowed in the thirties according to what there is today. In the thirties, there would be a big black cloud come up. They looked just exactly like a rain cloud, and they darkened the Sun, and all there was was just dirt, just dust in the air.

There are several instances of people who died of dust pneumonia at that time, and also livestock died of dust pneumonia.

We talk about advances in farming and farm machinery to keep the land from blowing, but in 1977 we had a 36-hour storm. That was on March 10. Of course, there was a lot of snow with it. The snow all piled up in piles, and the bare field blew something terrific. A good farmer, after this happened, would get out and chisel to stop this land from blowing. There were some who didn't care. And we have two types of farmers, in eastern Colorado, the people that farm for the Government payments and people who farm for themselves. There are areas that have very little rainfall. Some suitcase farmers, south of where I live, have farmed for the Government payments for several years.

I am totally in agreement with this type of bill.

I might make one last statement, that I agree totally with Senator Armstrong, that we should be responsible for our own land, and if we do damage to other land, we should be liable for that damage. Maybe this will deter sodbusting.

I believe that is all I have to say.

Senator **Jepsen**. I thank you very much, Mr. Yoder. I commend you for your testimony. Your last statement that you just sort of seemed to throw in there I think requires the attention of us all.

Mr. **Yoder**. Mr. Chairman, may I state something else? There is an item that I forgot. The Farmers Home Administration has financed grassland for some men in our county. I didn't get this from the Farmers Home Administration office, I got it from a banker in Hugo. I can't say this as a documented fact, but the Farmers Home Administrator recommended to these men that they plow part of this land to increase its sales value to help pay the mortgage off. This banker also told me that the county Farmers Home Administration directors wouldn't go along with this, but that this advice came from a higher office.

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[1] See p. 60 for the prepared statement of Mr. Yoder.

Senator **Jepsen**. Thank you. That is all made part of the record here, and we will pursue that.

Keith Propst, you may proceed.[1]

STATEMENT OF KEITH PROPST, PRESIDENT, COLORADO FARM BUREAU

Mr. **Propst**. I am Keith Propst, and our family owns a farm and diversified operation on the South Platte River. Our family has witnessed changes in this country since 1876 when our grandfather settled the ranch. We appreciate the opportunity to testify on the subject, because we are on the verge of creating another Dust Bowl in eastern Colorado. We probably already have. We already have the figures. Over 439,000 acres of grassland have been plowed up in 3 years. The question is why, why is it being done? Some of this land is being purchased by foreign investors to grow wheat. Others are farmers. They are local people. They are plowing up lesser amounts, but they are still doing it, and I think the question has to be why at this time.

I think the link is unmistakable. There are different commodities competing for the use of land and the livestock industry is in terrible straits. They are not able to hold on to the land. In many cases they are being sold out, and this land is going to wheat, which is operating under a Government program with all the protection of price supports, disaster payments, storage payments, loans and all the rest, and I think the link is unmistakable. It would not happen if it were not for these programs. Because if they had to compete in the free market with the livestock industry, they couldn't make more out of the land than the livestock people.

Loan agencies, Government and private, require the highest return with little regard for long term consequences. They want to protect their loan. They don't really care about the land.

Government programs which guarantee a price for certain commodities play a big function, and of course another one is because our country is a free-enterprise country and offers opportunity, people are coming from other countries trying to protect their investment, to get it into anything as long as it is in a country where they have freedom left.

In a recent hearing in Greeley, Colo., this amounts to short-term exploitation of a very fragile resource. Those of us who have lived there for a long time know you may get a very good wheat crop for 1 year or 2, but when the small amount of humus is used up, the land may not produce for 10 or 20 years.

We do not take exception to the landowner's right to change the use of his land. We, in the Farm Bureau, believe in private property rights. But we do take issue with people plowing up land to take advantage of Government farm plans. The landowner has a right, but he also has a responsibility to his neighbors, the community, and to the preservation of the land resource for future generations.

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[1] See p. 62 for the prepared statement of Mr. Propst.

The bill introduced by Senator Armstrong denies subsidies to newly plowed land. Our members want to deny all economic incentives, including FHA loans, disaster payments, and Federal crop insurance. We would go even further than Senator Armstrong. We think it should be a nationwide program. It is not our intent to develop this legislation in the Federal land-use planning law. It is our intent to take away Government incentives which result in irresponsible land-use practices.

I think it would benefit—have several benefits—by lowering the potential cost of farm programs. It would encourage supply and demand in the marketplace, and discourage practices that cause soil erosion, and most of all it would remove the inconsistency of having the Federal Government offering incentives to plow while we have our counties trying to deal with the problem after it is plowed. It would not have happened, except for the farm programs, and yet we have county commissioners now driving up and down the road, saying, "Shall we bring their farm into court, or shall we not?" I think it is a terrible position to put our county commissioners in.

We strongly support S. 1825, but we think it should be national in scope; and so, in summary, we do not oppose the idea of a landowner maximizing the use of his land, but it should be done in a free-market system and not because of economic incentives from Government.

Too often in the past, the thinking has gone something like this: Raise the wheat, if there is a surplus, the Government will support the price. If there is a disaster, the Government will give me a disaster payment. Next year, if the Government requires a set-aside, I will set aside by plowouts because they aren't raising anything anyway. I will plow out and plant the grass to wheat, and if I can get a crop on it, I can sell it to some unsuspecting investors, to take my capital gains, and if all else fails, history shows that the Government will come back and rescue me and help me reseed it with sod payments and all the West.

There has been the history on the Plains in the last 50 years, and I think it is time we stopped it. In the meantime, as all this goes on, the wind blows, the dust blows over the land, piles up along fencerows, chokes the air, attacks adjoining grassland like a cancer, and the magnificent vista of grass has become an ugly nightmare for those who live there now. Too often, that has been the scenario. We really appreciate the opportunity to express our views here today.

Senator JEPSEN. Thank you. It is obvious that your comments are given from the heart.

We now go to Marshall Frasier, president of the Colorado Cattlemen's Association. Prices of cattle today are a little better than they were 4 months ago. If we had had those kept up, maybe some of the folks wouldn't have been so tempted to plow some of their land under.

You may proceed, Mr. Frasier.

STATEMENT OF MARSHALL FRASIER, PRESIDENT, COLORADO CATTLEMEN'S ASSOCIATION

Mr. **Frasier**. Thank you, Mr. Chairman.[1] You touched on one of the points I wanted to make. You do have my written statement. I have a few comments I would like to make. I have been listening to the others.

My organization does support and last December did, in resolution form, support Armstrong's Senate bill 1825. We would like to see it retroactive 5 or 10 years, but realize that is probably impossible.

As my statement states, I was born in western Kansas about 20 miles from Colorado, lived there through the 1930's, and have seen a dirt storm hit, with no wind for it, but for a while you couldn't see your hand before your face. For a while, we were coming from school, my brother and I and three other kids held hands with each other. Then you could see 10 to 15 feet from you, and we did get home. One time this came from the north, and again the wind blew in, and we had red dirt all over our lawn and house, and it is 200 miles to the closest red dirt in Oklahoma.

In 1941, we bought our first ranch in Colorado, and in 1943 and 1944 they started plowing land around it, so I sold it. It was flat, and so we sold that ranch and moved straight east of Denver. Back in 1955, you could not see the tops of the fence posts which were 4½ feet high. The land was blown away where they had plowed.

In the last 4 years, 80,000 acres have been plowed within 15 miles of my ranch. First was a 30,000-acre ranch. The first time it was sold because of inheritance taxes when the father died. It was sold again to some farmers who are local farmers in that area. They were told that they would not be loaned money by FmHA to pay out unless they plowed the ground. They got FmHA loans of 100 percent on the ranch after plowing it, this was told to me by the realtor who handled the deal and knew what he was talking about.

There are three brothers farming over 100,000 acres. They plowed another ranch on the south edge of my ranch of 16,000 acres. They had 5 tractors with 15 bottom plows work day and night for 6 weeks.

I think two things account for this: One is inheritance taxes. The ranch on the west side of mine—the father died and the son had to sell half of it so to save the other half, and he had to have the other half plowed, because there was not enough grass left to operate as a ranch. This is very eroded land and very little topsoil, and as yet they have not raised enough on it to get their seed back.

The second thing is the cheap food policy which has been supported by the Government and consumers and American labor since the 1930's, to keep the prices down on food, so that we cannot economically operate agricultural operations. In a year or so, we get enough money to hold on, but a lot of men have been abusing their land to try to produce enough to stay in business because of the cheap food policy.

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[1] See p. 63 for the prepared statement of Mr. Frasier.

But price supports on grain not only sets a floor, but also sets a limit to what grain and other grains will sell for; consequently, an owner and operator, the only way he can increase his income is to try to produce more.

Thank you for your time.

Senator **Jepsen**. Mr. Frasier, I thank you for your testimony. You brought out other dimensions that impact on this—the combination of inflated prices for the land and the buildup of estate taxes, and we did something like that a year ago. It will be a few years before it gets effective.

I want to thank all of you for coming here today. I realize it is a long trip to make for just a few minutes' testimony, but we will have this all assembled, all a matter of record, and as you have all indicated, Senator Armstrong has introduced S. 1825. I think it is a great testimonial to Senator Armstrong. He is not on the Agriculture Committee, and I know he owns and operates, among other things, a radio station. It is a credit to his ability to move things and his effectiveness in the Senate. He has helped me a great deal as chairman of the Soil Conservation Subcommittee to really focus in with some real live illustrations on some of the distortions that are produced by the Government's overinvolvement in tending to try to help something. And once that Government does get involved, the attempt and thrust of the Government program may be well and good, but where it does distort, or it does have an adverse effect for some strange reason, you just can't seem to get it to go away or correct it or get at it to change it. It is like sticking your hand into a pail of glue and then into a sack of feathers and then pulling it out, trying to shake the feathers off.

A lot of us here are aware of that, and we are working hard to try to bring some constructive changes about, bring some realism into the regulatory area and the subsidy area of Government. I appreciate, to that end, all the testimony you gave today.

I thank you for it, and I thank you for your efforts and your attitude with regard to creating, through the private sector, individual initiative, the American dream that we all still have and cling to.

I want to assure you that we will seriously consider, and are going to continue to pursue, S. 1825; and Senator Armstrong, I know, would want me to extend his personal thanks for your taking the time to come out.

Thank you very, very much.

These subcommittees are now adjourned.

[Whereupon, at 12:26 p.m., the subcommittees adjourned, subject to the call of the Chair.]

APPENDIX

STATEMENT OF HON. BILL ARMSTRONG, A U.S. SENATOR FROM COLORADO

Mr. Chairman, I am grateful for the time you have spent on this bill already, and for the opportunity to bring the matter to a hearing before your subcommittee. I also appreciate the responsiveness of the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices, chaired by Senator Cochran. I hope that this hearing will bring the full attention of the Agriculture Committee, as well as the public, on one of the most important problems facing the American agriculture system.

Recent reports from Colorado indicate that the plowing situation has gone "from serious to critical" and that the destruction of our fragile grasslands is analogous to "blood-letting unless something is done to halt that activity."

I believe that the importance of this problem cannot be overstated. The erosion situation in this country has reached crisis proportions and promises to get worse before it gets better. Nationwide, the Soil Conservation Service estimates that erosion claims over 5 billion tons of soil each year. The Colorado Soil Conservation Board says that in my state alone—and this problem is not unique to Colorado—nearly 400,000 acres (over 610 sections) of fragile grasslands have been plowed since 1979.

But the most incredible aspect of this situation is that the federal government is encouraging it. The poor state of the economy in general, and of the agriculture economy specifically, has resulted in a higher than normal level of dependence on the federal price support programs. For instance, the Commodity Credit Corporation expects to acquire nearly 72.2 million new acres of corn this year as a result of these programs. At a time when the farm economy is so depressed, it makes no sense to channel the limited federal resources into areas where they are counterproductive.

The cost of the federal farm program may reach as high as $20 billion over the course of the current farm bill and there is already a great deal of speculation on various plans for reducing this cost. But America's farmers are in serious condition, and the better answer is to see that we spend the money where it is required. Yet, we continue to offer federal price support assistance, disaster payments, crop insurance, farmers home loans, farm storage facility loans, and other incentives to investors who plow up fragile lands and jeopardize the surrounding country to put additional land into surplus crop production.

Since the introduction of my "sodbusters bill," there has been considerable public focus on this issue. As a result, a number of newspaper articles and editorials have appeared which should interest the committee, as well as those who will read this record. I'll ask that a few of these be printed in the committee hearing record, but first I want to make two points.

First, when I introduced S. 1825 on November 9, 1981, it was not my intention—nor is it my intention now—to over-sensationalize this issue. I went out of my way to avoid alarming people that we were in the midst of another dust bowl and I did not claim that the thickness of America's topsoil had diminished to less than 6 inches. These statements have been made by others who support this bill, but my goal was simply this: I wanted to point out that we are directing federal dollars into areas where they threaten the long-term economic viability of our system. I believe that we are creating the conditions whereby a new dust bowl could occur, given certain weather and economic conditions. But I must point out now that, sadly, some of these conditions are rapidly worsening since introduction of the bill. The economy is in more serious shape than last fall, as the Administration is now projecting deficits in excess of $180 billion. And the drought and wind conditions are worsening each week in the West. Colorado has been subjected to winds in excess of 100 miles per hour in many parts of the plains during the past month. The time for enactment of this needed bill is past due.

Secondly, since there are several suggestions for changing the wording of this bill, I'd like to outline the thinking when it was first drafted. The problem was brought to my attention by Coloradans who were concerned about the particular problems faced by the arid West, an area receiving less than 20 inches of annual rainfall. So the bill was drafted to apply to that area. Many experts have since concluded that this is a nation-wide problem, and that the bill should be applied nation-wide. Second, it is very clear to me that the practice of paying price supports to crops grown on newly plowed grasslands is inconsistent with the intent of these programs. Many experts believe, though, that there are many other government economic incentives which encourage this plowing, such as crop insurance, home loans, or disaster payments, and that all these should be denied to those who would destroy agriculture's most valuable resource.

I very much appreciate the opinions of all those who have helped in the research on this important measure.

As I mentioned, a number of very thoughtful articles and editorials have been written on the subject of soil erosion in general, and the "sodbusters bill" in particular. I am including some of the best here and I would ask that they appear in the committee's record of these proceedings. I am also including a few letters from various organizations which I think will interest the committee.

I look forward to continuing to work with the Senate Committee on Agriculture, Nutrition, and Forestry toward a meaningful solution to this growing problem, and I thank the chairman for his generosity with his time.

COLORADO STATE GRANGE,
Denver, Colo., January 26, 1982.

WILLIAM L. ARMSTRONG,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR ARMSTRONG: The Colorado State Grange, at its recent Executive Board meeting, voted to support your bill S. 1825, with the proviso that it be understood through the hearing process that the agricultural lands referred to in the bill will be marginal lands.

The Colorado State Grange is concerned with the soil erosion in eastern Colorado and commends you for your efforts to introduce legislation that will help protect the grasslands not yet broken out.

Sincerely,

JEANNE DAVIES, *Master.*

COLORADO STATE SOIL CONSERVATION BOARD,
Denver, Colo., October 22, 1981.

Senator Armstrong Office
Washington, D.C.
(Attention Greg Walcher).

DEAR GREG: In response to our telephone conversation October 21, 1981 I assembled information from the 47 soil conservation districts in the eastern portion of Colorado from the foothills to the state line to determine the amount of land, in acres, broken out by plow during the last three years (1979–80–81). The majority of the acreages are soils which we classify as fragile or Class 6 and 7 (not suitable for cultivation). Class is determined by soil suitability for growing crops—soil depth, slope, texture, and annual precipitation.

The Eastern Plains of Colorado are divided into three administrative areas by the Soil Conservation Service:

Area 2, northeast portion from foothills to Nebraska, total breakout for 3 years is 105,000 acres.

Area 3, central portion, total breakout is, 210,000 acres.

Area 4, southeastern portion, total breakout is 75,000 acres.

Total, 390,500 acres or over 610 sections.

In Kit Carson County alone in 1981 one complete township or 36 sections were broken out in five to six days. From the best information we have, this land was purchased by a person or corporation from a foreign country.

As cultivated land, the sale price runs about three times higher than grassland. So even if the operator does not get a good crop, he can usually sell as cultivated land and make a good profit as well as obtaining benefits from crop loss in the form of disaster payments.

Frequently we have a dry year and the soil blows resulting in damages not only to the newly plowed land but also to the neighbors' land.

Sincerely,

ALLEN J. CAMPBELL, *Director.*

ROCKY MOUNTAIN FARMERS UNION,
Denver, Colo., November 9, 1981.

Hon. WILLIAM ARMSTRONG,
U.S. Senate,
Washington, D.C.

DEAR BILL: We in Farmers Union congratulate you on your bill to eliminate government payments for crops grown on newly plowed fragile grasslands. Most land that is being plowed out now should be left in grass as it would be marginal at best in producing a crop. Your legislation will help to keep fragile grasslands in tact and also assure us that we do not end up with a dust bowl if we have dry years.

We will lend support for your legislation by encouraging as many U.S. Senators and U.S. Congressmen to join you as co-sponsor or voting for the legislation.

If there is anything else we might be able to do, please let us know.

Sincerely,

JOHN STENCEL, *President.*

CENTENNIAL SOIL CONSERVATION DISTRICT,
Sterling, Colo., December 7, 1981.

Hon. WILLIAM L. ARMSTRONG,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR ARMSTRONG: On behalf of the Centennial Soil Conservation District, I wish to acknowledge our support of Senate Bill 1825, which you introduced for consideration.

The conservation and protection of our nation's soils are among the most important of issues under consideration in the Legislature today. Misuse of the fragile grasslands for short-term crop production will result in irreparable damage to these soils. In some cases, it will be impossible to re-establish ground cover to prevent serious erosion from taking place.

Your support of this all important legislation is appreciated by conservation minded citizens.

Sincerely,

TOM FEHRINGER, *Chairman.*

STATE OF COLORADO,
DEPARTMENT OF AGRICULTURE,
Denver, Colo., December 8, 1981.

Hon. WILLIAM ARMSTRONG,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR ARMSTRONG: I wish to thank you for forwarding to me a copy of S. 1825. I think this bill is one of the most important pieces of soil conservation legislation which has ever been written. I only regret that it wasn't written and passed into law 30 years ago.

Please let me know if there is anything I can do to assist you in the passage of this bill.

Sincerely,

JIM RUBINGH, *Resource Analyst.*

COLORADO POTATO GROWERS EXCHANGE,
Denver, Colo., December 28, 1981.

Hon. WILLIAM ARMSTRONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ARMSTRONG: We are writing in reference to Senate Bill 1825, which you proposed in the 97th Congress. Recently the Board of Directors of Colorado Potato Growers Exchange met and your request for support was reviewed. This Board, which represents nine local cooperatives in the state of Colorado, adopted a resolution to support your bill.

While the directors felt that the intent of the bill is very important, they do feel that the final bill should consider such things as what type of land will be subject to your bill should it become law, in that it may be necessary to indicate soil descriptions, grade of land, etc. Further, it would be important that this bill not penalize a farmer who is legitimately farming and desires to open up new land for this endeavor. Also the Board would like to point out that the main emphasis of the bill should not be totally pointed at farmers in general. It should be directed at land developers, who in their scheme of operations have little or no concern for soil conservation.

We would appreciate being kept apprised as to the development of this bill.

Very truly yours,

JAMES L. LANG, *General Manager.*

NORTH DAKOTA CHAPTER,
THE WILDLIFE SOCIETY,
Grand Forks, N. Dak., December 21, 1981.

Hon. WILLIAM L. ARMSTRONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ARMSTRONG: I'm writing in behalf of the North Dakota Chapter of the Wildlife Society to offer our support and encouragement for passage of the "Soil Erosion Prevention Act" which you have introduced.

Our members are vitally concerned about the erosion of soil not only west of the 100th meridan but nationwide.

Attached is a resolution passed at our last annual meeting which may interest you. Keep up the good work and if there is any way the North Dakota Chapter of the Wildlife Society can assist you in the endeavor please let us know.

Sincerely,

RICHARD D. CRAWFORD, *President.*

NOTE.—Attachment not printed.

DENVER, COLO.,
December 28, 1981.

Senator WILLIAM ARMSTRONG,
Russell Senate Office Building,
Washington, D.C.

DEAR BILL: Thanks for your letter regarding your "sodbusters" bill and for taking the lead on this important matter. As I keep trying to explain to people, the ultimate reason for environmental protection is the human condition (though there are other perfectly valid goals short of that). Clean air and water are essential, but I have long felt that the bottom line and the real long-range problem is maintaining the biological vitality of our soils, which are relatively non-renewable.

While S. 1825 does not attempt to address the full magnitude of the problem, it does strike at a damaging aspect. I will contact Greg Walcher soon, and I assure you of my personal support. I think also you can count on the backing of many TU members in Colorado.

Very best wishes for a fine season and all good things in the year ahead.

Best regards,

JIM BELSEY.

HIGH COUNTRY CITIZENS' ALLIANCE,
January 19, 1982.

Hon. WILLIAM ARMSTRONG,
Russell Office Building,
Washington, D.C.
(Attention Greg Welcher).

DEAR SENATOR ARMSTRONG: In response to your letter of December 3, 1981, regarding the above-referenced matter, the Board of Directors of the High Country Citizens' Alliance has voted to endorse and support your effort to secure passage of this legislation.

Although we have not always agreed on conservation and environmental issues, we applaud your efforts to deal with the critical problem of grassland destruction in the arid West.

We would be glad to help in the effort to pass this legislation, within the constraints of our location and limited budget. To that end, please keep us informed as to what efforts we can make beyond formal endorsement.

Thank you for your attention to this important conservation issue, and your effort to keep your constituents informed.

Sincerely,

WES LIGHT, *Staff Attorney.*

AMERICAN FARMLAND TRUST,
Washington, D.C., January 19, 1982.

Office of Senator ARMSTRONG,
Russell Senate Office Building,
Washington, D.C.
(Attention: Greg Walcher.)

DEAR MR. WALCHER: I am writing in response to a letter from Senator Armstrong, dated November 27, requesting our consultation concerning S. 1825, the so-called "sodbusters bill". Please forgive my tardiness in responding.

Although primarily concerned with the conversion of our best agricultural lands to non-agricultural uses, the American Farmland Trust is also convinced of the gravity of the soil erosion threat as it is manifested in certain critical agricultural regions of our country. We have particularly concerned ourselves with the largely overlooked interrelationship between conversion and erosion: conversion typically threatens the best agricultural lands—those well-drained, flat lands in prime market locations, forcing farmers onto less-productive, more highly erosive lands. Moreover, farmers in urbanizing locations often feel the direct influence of the so-called "impermanence syndrome". Convinced of the inevitability of development, they cease or reduce the long-term investments often required to minimize soil erosion and maximize productivity.

Please keep us advised of the status of this important legislation. We would be happy to discuss these matters further with you or with the Senator, and to testify should hearings be held in the upcoming months.

With best wishes,

Sincerely,

STEPHEN F. HARPER, *Assistant Director.*

NATIONAL GOVERNORS' ASSOCIATION,
Washington, D.C., January 19, 1982.

Mr. GREG E. WALCHER,
Legislative Assistant to Senator William L. Armstrong,
Russell Senate Office Building, Washington, D.C.

DEAR MR. WALCHER: I would like to share correspondence that I have received from Jim Rubingh of the Colorado Department of Agriculture concerning my comments on Senator Armstrong's sodbusters bill.

I have given very careful thought to Jim's reaction. I find it exceedingly difficult to argue with any of the points that Jim has made. In view of this situation, it is our opinion that Senator Armstrong's bill deserves more suppport than we offered in our first letter. While we have to stop short of giving your legislation a full endorsement, it is evident this legislation could help correct some of the serious conservation problems in the West today. Enclosed you will find a copy of Jim's letter to me.

If I can be of further assistance to you, please do not hesitate to contact me.

With best wishes,

Sincerely,

JOSEPH A. KINNEY,
Staff Director, Committee on Agriculture.

Note.—Enclosure not printed.

PIKES PEAK CATTLEMEN'S ASSOCIATION,
Colorado Springs, Colo., January 29, 1982.

DEAR SENATOR ARMSTRONG: The Pikes Peak Cattlemen's Association is very concerned with the preservation of our natural grasslands. We are aware of the fact that much of these grasslands are being plowed and will be damaged by the wind and the rain. What we would like to see is a complete stop put to this kind of action in order to protect the environment for the present and the future. Our past has shown us the disastrous results following the plowing of our native grasses. The intentions of those people involved in the plowing of those grounds surely have nothing to do with environmental conservation.

For the reasons that I have mentioned and others, we send to you our support for your Bill S. 1825. It is our hope that this bill will pass, making the venture of plowing the grasslands less desirous, and bringing the people to a greater understanding of the conservation of our grasslands.

Sincerely yours,

STEVEN C. HANNA.

EAGLE COUNTY SOIL CONSERVATION DISTRICT,
Eagle, Colo., February 5, 1982.

Hon. WILLIAM L. ARMSTRONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: On behalf of the Board of Supervisors of the Eagle County Soil and Water Conservation District, I am happy to send this endorsement of your proposed Soil Erosion Prevention Act ("sod-busters" bill). We hope you will be successful in guiding it to full congressional approval.

Sincerely,

DONALD C. SIMONTON, *Secretary.*

AMERICAN WILDERNESS ALLIANCE,
Denver Colo., April 12, 1982.

Senator BILL ARMSTRONG,
Senate Office Building,
Washington, D.C.
(Attention: Greg Walcher.)

DEAR BILL: I have your letter, Congressional Record statement and bill, S. 1825, to prohibit price support on certain marginal lands which have not been farmed in the past ten years.

The American Wilderness Alliance is in total agreement with the objectives of S. 1825 and strongly supports it.

It is time that Americans call a halt to subsidizing the plowing up of arid rangeland which is not capable regularly of growing other crops. This bad practice of destroying the native sod cover has been responsible for major losses of topsoil from wind and flash flood erosion. Tragically, it has also played a major role in the elimination or reduction of such species as the prairie chicken, antelope and other wildlife from much of their former range. It is also incredibly wasteful of federal funds. This is bad enough at any time. During a period of national economic stringency, as at present, it is even worse. The American Wilderness Alliance is acquainting its members and cooperators with the urgent need for this legislation.

Thank you for bringing it to our attention.

With kindest regards,

CLIFTON R. MERRITT, *Executive Director.*

COLORADO AUDUBON COUNCIL,
Pueblo, Colo., April 8, 1982.

Hon. WILLIAM ARMSTRONG,
Senate Office Building,
Washington, D.C.

DEAR SENATOR ARMSTRONG: I apologize for not responding sooner to your letter describing S1825, the bill you have introduced to slow the rate of prairie soil erosion. At our winter meeting in Greeley the Colorado Audubon Council passed a motion to support this bill, and we wish to offer our support in any way we can.

The twelve Colorado Audubon chapters and the more than 6000 Colorado Auduboners share your deep concern for the rate at which our soils are eroding. Far too often the prairie is converted to cultivation for what is generally only a few productive years, due to the extremely high cost of water for irrigation, the loss of soil fertility, or the loss of topsoil. Government subsidization for such short-term ventures is both a poor investment of public dollars and a waste of natural resources.

The Colorado Audubon Council encourages the use of this nation's more productive soils for food and fiber production, and opposes large public investments for agricultural production on marginal lands. We believe that S1825 is a timely and important conservation measure.

Sincerely yours,

MARC BOSCH, *President.*

THE LEAGUE OF WOMEN VOTERS OF COLORADO,
Denver, Colo., April 13, 1982.

Senator WILLIAM L. ARMSTRONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ARMSTRONG: For some time the League of Women Voters of Colorado has been concerned about the soil erosion losses in our state as well as in the nation. We therefore strongly endorse the concept expressed in S. 1825, that is, removing the Federal Government from "the business of financing erosion" by denying federal subsidies to crops produced on newly broken land west of the 100th meridian.

As you well know, most new cropland is being developed in the West and virtually all of this is grassland converted to marginal farmland. Colorado's conversion lands, especially in the eastern counties have thin topsoils, little rain and are highly susceptible to blowing. Reseeding such lands back to perennial grasses is not only costly, it is a task measured in years and years of careful nurturing.

The League would like to see a very strong committment on the part of the Federal government to obtaining solid soil conservation practices as well as the prevention of land conversions that lead to such expensive and time-consuming "after-the-fact" measures. We favor incentives which encourage soil and water erosion control. The West has a critical need for such and we hope you also share this desire.

S. 1825 has an area which the League would like to have made more specific. We would like to have the USDA Soil Conservation Service Soil Classification System included as language in the bill. Specifically we believe that Class VI–VIII soils be denied subsidies and that subsection(b) should not apply to these soils. Our feeling is that the bill as now written can be interpreted to read that if you enter into a long-term agreement with the Secretary of Agriculture you can plow up Class VI–VIII lands and be eligible for price supports.

The League believes land care is a long-term committment. It is possible to take some Class VI land, carefully nurture it, practice up-to-date methods and make it productive. It takes time and money and when the conscientious farmer is through farming or the land changes hands, those practices may not be continued and it is this land that is vulnerable to the erosion problems we want to halt. We think the intent of the bill is to discourage such practices and would like to have this clearly addressed.

We sincerely hope this bill passes. It is a strong step in the right direction and one the League of Women Voters of Colorado firmly supports.

Sincerely,

TONI WORCESTER,
President.

PURNEE MCCOURT,
Land Use Chairman.

STATE OF COLORADO,
DEPARTMENT OF AGRICULTURE,
Denver, Colo., April 21, 1982.

Hon. WILLIAM ARMSTRONG,
Russell Senate Office Building,
Washington D.C.

DEAR SENATOR ARMSTRONG: I am writing on behalf of the Colorado Department of Agriculture and the Colorado Agricultural Commission to voice our strong support for S. 1825. The plowout problem in eastern Colorado appears to be reaching epidemic proportions. Since 1979, over 400,000 acres of native grassland, much of it with marginal cropland potential, has been plowed out. Now because of the lack of precipitation and the recent high winds, this area is facing severe dust blowing and soil erosion problems. I fear that unless action is taken thousands of additional grassland acres will be plowed in the near future. The consequences of such action could be devastating.

On April 16 the Agricultural Commission took a tour of the plowout problem in eastern Colorado. The magnitude and severity of the problem which we viewed pointed out the definite need for action. Our tour ended with a public meeting in Limon. Of the 80 people in attendance at the meeting, the sentiment appeared to unanimously support S. 1825 becoming law.

In fact, throughout Colorado I have heard nothing but support for your proposed legislation. The enclosed editorial from the Denver Post in support of S. 1825 sums up what I believe is the feeling throughout the plains region.

We give you our full support in your efforts to deal with this extremely serious problem, and want you to know that we are willing to assist you in anyway possible to see that S. 1825 is passed into law.

Sincerely,

J. EVAN GOULDING, *Commissioner.*

NOTE.--Enclosed editorial not printed.

LAYNE FARMS & RANCHES,
MAY 6, 1982.

Hon. WILLIAM L. ARMSTRONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ARMSTRONG: As I see S. 1825, it could greatly reduce new croplands being put into production. That in itself is not necessarily bad. However, in a recently published article in the Chicago Tribune quoting a not yet released USDA report, it said the USDA had discovered that we were losing prime farmland at a rate of 3,000,000 acres a year to houses, highways, airports, sewage disposal systems, etc. The same article said that approximately 2,000,000 acres in topsoil losses were occurring each year for a total loss of 5,000,000 acres per year. Also included was the figure estimated by the USDA that of the 132,000,000 potential farmland acres yet to be developed and only 22,000,000 acres was prime farmland. Further, at the present rate of loss, the United States would be importing instead of exporting by the year 2000.

If this is correct, my question is, that if 110,000,000 acres of yet to be developed farmland is marginal, should we not work for a systematic plan to allow good farming practices to develop over a given period of time?

On the other hand, if we are assured of adequate supplies for the foreseeable future, maybe this legislation is needed. My fear is that history may record that new cropland failed because of the lack of support from government, rather than being non-productive or uneconomical.

In the western arid states there is concern that new croplands will lead to a return of the "Dust Bowl." The dust bowl may return, but if it does, it will be from the lack of moisture accompanied by high winds, neither of which we have any control over. This notion assumes that farming technology is the same as it was in the thirties. This reasoning also ignores the fact that grasslands and farmlands of all catagories and classes blew during that time. Little mention is made that most of the same land is and has produced many years after such a disaster. Because land blew during the thirties does not necessarily mean it will not produce now if properly managed. Man is limited in these abilities to prepare for a natural disaster but most seek ways to minimize it.

I trust you will consider these questions seriously in the discussion of the proposed legislation.

Sincerely,

MEL LAYNE.

STATEMENT OF EVERETT G. RANK, ADMINISTRATOR, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. Chairman and Members of the Committee, I appreciate the opportunity to testify before you today on S. 1825, a bill "To prohibit price support for crops produced on certain lands in the western part of the United States which have not been used in the past ten years for agricultural purposes, and for other purposes."

This bill would deny price support eligibility to any producer of any agricultural commodity produced on any land located west of the one hundredth meridian that had not been used for the production of an agricultural commodity at any time during the ten crop years immediately preceding the crop year in which this bill becomes law. It would also deny eligibility for participation in the farm storage facility program if the use of loan funds were for erection of a facility to be used to store an agricultural commodity produced on any such land.

The primary objective of this legislation is to promote soil conservation in an area where many feel the need is most severe. Soil conservation is one of the top priorities of the Department of Agriculture and the Department strongly supports the soil conservation objectives of this measure and believes that producers should be encouraged to employ the best practices in the management and use of their resources.

We do, however, have certain reservations about the methods this bill would require in order to achieve its objective. I would like to discuss these reservations at this point in my testimony.

We recognize that a problem does exist and this problem is the focus of this legislation. However, in this instance the problem is, for the most part, site-specific. In such a case, it would seem that a more equitable and efficient procedure would be to address the problem at the local level. Therefore, we believe that such problems must be dealt with by the smallest unit of government with authority to handle the issue.

The Department feels that program participation when tied to soil conservation—such as the current acreage reduction program, with idled land devoted to conservation—is a better approach than that proposed in S. 1825. Specific conservation practices are developed at the local level and approved by the State Agricultural Stabilization and Conservation Committee and the State conservationist of the Soil Conservation Service. This idled land must be protected from wind and water erosion throughout the year.

This bill would reduce producer decision-making flexibility on lands located west of the one hundredth meridian that meet the crop production use criterion, except where the owner or operator has entered into a long-term agreement to carry out approved conservation practices. Although there would be no prohibition on use of such lands, the denial of price support could effectively amount to a prohibition on some of this land, except in years when supplies are to be relatively tight and prices strong. But once this land came into production, even though prices might fall, production could continue. This could result in a worsening of the conservation problems the legislation is supposed to prevent or correct.

The Department, through the county-level offices of the Agricultural Stabilization and Conservation Service, is responsible for the administration of farm commodity price support and related resource conservation and environmental programs. Implementation of this bill would also present many difficult administrative problems connected with these programs, some of which are insurmountable at this time.

To implement S. 1825 would require knowledge of the use of each parcel of land located west of the one hundredth meridian, that potentially could be used for cropland for each of the ten years prior to the year of its implementation. Complete records of land use during the last ten years are not available. Records would be available only for those producers of program crops (wheat, feed grains, rice, and upland cotton) who voluntarily certified their planted acreage in order to be eligible for program benefits and with respect to acreage on which marketing quota crops (tobacco, peanuts, and extra long staple cotton) have been produced. However, producers of program crops were not required to certify during 1974–77 and in 1980. For the marketing quota crops, only extra long staple cotton is produced to any extent in the area designated in the bill.

To assemble adequate data bases on a county-by-county basis would require innumerable man-hours as well as the acceptance of producer assertions with varying degrees of supporting documentation. The process of acceptance could result in numerous irreconcilable disputes which could lead to litigation.

S. 1825 would apply only to land west of the one hundredth meridian. Thus, for example, a farm adjacent to but east of the dividing line would not be subject to the prohibitions of eligibility for program benefits, while an adjoining farm, located west of the dividing line, would be subject to the provisions of the bill, raising questions of equity.

Enactment of the bill would mean substantial start-up costs, after which cost-savings would likely be negligible. Any reduction in loan outlays would probably be offset by additional administrative costs.

The Department is well aware of the requirement, both under statute and the Standing Rules of the Senate, of providing cost estimates of proposed legislation, along with what regulatory impact a pending measure could have. I deeply regret that, due to the nature and scope of the Department's and ASCS's responsibilities and duties that would be required to enforce this bill if it became law, it is impossible for me to submit anything that we could claim would be remotely close.

This concludes my prepared statement and I will be happy to respond to any questions the Committee might have.

STATEMENT OF MILTON E. MEKELBURG, PRESIDENT, AND NEIL SAMPSON, EXECUTIVE VICE PRESIDENT, NATIONAL ASSOCIATION OF CONSERVATION DISTRICTS

Mr. Chairman, members of the subcommittee, it is a distinct privilege to come before you today to discuss the problem of marginal croplands as they affect the national soil and water conservation situation and the farm program in general. This is a difficult issue, but one which the Congress must address.

NACD's policy—developed by its member districts, state associations, and national council, does not speak directly to S. 1825 but it does address the problem. In 1979, the NACD Council adopted the following position:

"Using land within its capability and treating it according to its needs is a basic creed of conservation districts and conservation programs. USDA lending and crop stabilization programs, however, base land values and crop allotments on total land cropped rather than land most judiciously or properly used. This tends to reward growers who plant unsuitable lands while penalizing conservation farmers who crop only those lands capable of supporting stable cropping systems.

"USDA should establish policies that will require agencies such as the Agricultural Stabilization and Conservation Service and Farmers Home Administration to change their rules and regulations so that farm programs based on the use of the land will be consistent with the capability of the land as demonstrated by soil surveys and land capability classifications."

This position clearly urges USDA programs to recognize land capability and conservation treatment as one criteria under which assistance is to be offered. While NACD's Council has not supported a cross-compliance type of program, it is becoming clearer and clearer to conservation officials that government financial incentives in the past have been used to foster land mismanagement, and that such practices should be halted.

We have circulated S. 1825 for comments among some of our members, and have received several suggestions, upon which this testimony will be based. The first question involves the application of the rule only to those lands west of the 100th meridian. While the arid and semi-arid lands lie mainly west of that line, the problem of farming marginal lands does not. In a moment, we would like to show some slides that depict the fact that the problem is a national one. If the Congress is to devise a solution, we feel the solution should be applied nationally as well.

The second question involves the use of the term "any land" in regard to application of the program. The goal, as we see it, is to eliminate government incentives for the cultivation of highly erosive lands, and we would suggest the substitution of the words "highly erosive" for the term "any land" on page 1, line 5 of the bill. We would suggest limiting the application of this law to lands which fall in Capability Classes IVe through VIIIe. This is one way to identify the highly erosive soils and limit the effects of the bill to them.

The third question involves the application of the bill only to those lands that had not been used for production of an agricultural commodity some time during the previous ten crop years. Several of our correspondents felt that federal programs should not encourage the cropping of highly erosive land at any time, no matter when or how many times it has been plowed out in the past.

Finally, Mr. Chairman, we feel that farmers should have the option, should they choose, of getting federal program incentives on any land, providing they are willing to install and maintain adequate soil conservation systems. This would keep farmers fully free to make any decision they desire, but would limit federal program supports to those farmers willing to pay the full price of cropping land that takes additional care for sustained production.

We have appended to this testimony a rewritten version of S. 1825 that we feel incorporates these ideas. We feel that if the bill can be amended in this fashion, it should find good support among many agricultural and conservation organizations. In addition, we have included a copy of a resolution passed by the 1981 North Dakota Legislature on this topic.

With your permission, Mr. Chairman, we would like to turn now to a set of slides that we have collected over the past few months by asking conservationists in the field to share some examples with us.

We all remember the pictures that emerged from the great Dust Bowl of the 1930's. That terrible tragedy brought the need for soil conservation to the attention of all Americans and was instrumental in influencing Congress to establish the first soil conservation programs. Unfortunately, we can see many of those same scenes today, as farmers practice intensive cultivation on soils that are too marginal to withstand such treatment without intensive conservation care.

From little dust devils in Utah to bigger storms in New Mexico and Oklahoma, the scenes look much the same—topsoil being moved off unprotected land by the wind. This field in Harmon County, Oklahoma, has a wheat crop destroyed in the process. What is surprising is to see similar scenes from South Carolina, Virginia, Minnesota, Missouri, and Alabama.

The impacts on the land are devastating. This Colorado field needed emergency tillage four times, and still ended up looking like this. The topsoil in this Michigan field is converted to almost pure sand. In Nebraska, a new pivot irrigation system opened up the land to the damage shown in these two slides. Crops are either badly damaged, as in this field near Comanche, Texas, or buried as in this Kansas field. These next two slides might have come from Saharan Africa, but they didn't. They came from Texas.

Man's investments are damaged by the erosion that results from cultivating marginal lands, and often the people damaged are far downwind from the source of the trouble. Soil deposited by wind damages farm equipment in Kansas and piles up in fencerows in Oklahoma, Texas, North Dakota, and Colorado.

Here are highway scenes from Illinois and Kansas. This Goodland, Kansas road sign tells the story: "Caution: Blowing Dust Ahead." The costs of cleanup, whether on this railroad north of Roy, New Mexico or this highway in Texas are significant, and we all pay for them in one way or another.

And the soil blown from misused land doesn't just fall on rural people. This scene in LaJunta, Colorado, shows what can happen in just about any town in the Plains. The person who sent me this slide from the hospital district in Fort Worth, Texas, included the following note: "You don't have to ask a doctor about the problems of dust like this, I can tell you. I have a son with asthma and when we get a dust storm like this, he has severe attacks and usually has to be medicated for a number of days and weeks before it clears up and he can breathe normally again."

Marginal land can also be highly susceptible to erosion from rainfall and snowmelt. Here the cause is usually slopes too steep or cultivation too intense for the soils to withstand the elements. Again, the photos look surprisingly alike, whether they come from Utah, Rhode Island, Nebraska, Connecticut, Minnesota, Illinois, Missouri, Tennessee, North Dakota, Iowa, New Hampshire, Alabama, Mississippi, or Montana.

Rough land in Nebraska gets bulldozed smooth enough so that center pivot sprinklers can handle the terrain, but the land is susceptible to serious erosion damage from both wind and rain after it has been converted in this fashion.

In Georgia, conservation systems were taken out and a big piece of land blocked up for a center pivot sprinkler, but there was no place for the excess water to go so it started a huge gully. The landowner turned the gully into a nearby patch of woods, which is now in the process of being buried.

Some marginal land gets so badly damaged by soil erosion that it may never be used again. These slides come from Illinois, New Jersey, Mississippi, Indiana, and Oklahoma. Even the deep black soils of the Corn Belt can only stand so much, as this Minnesota corn field shows.

I close on this note, Mr. Chairman: Poor soils lead to poor farms and poor people. Federal farm programs need to encourage proper land treatment and stop encouraging farmers to abuse the land. We stand ready to assist you in any way we can to effect that policy change.

A BILL to prohibit the payment of economic incentives for crops produced on certain erosion prone lands, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That (a) notwithstanding any other provision of law, no producer shall be eligible for any economic incentives, including but not limited to price-support assistance, federal crop insurance, or disaster payments, on any agricultural commodity produced on highly-erosive land that is brought into cultivation at any time after the crop year in which this Act is enacted;

nor shall any such producer be eligible for a farm storage facility loan under section 100 of the Agricultural Act of 1949 (7 USC 1445e), or under any other provision of law administered by the Secretary of Agriculture which authorizes loans for the construction of storage facilities for agricultural commodities, if such loan is to be used for the construction of a storage facility to store an agricultural commodity produced on any such land;

nor shall any such producer be eligible for a loan from the Farmers Home Administration, if such loan is to be used to purchase any such land, or to construct farm facilities on any such land, or to purchase farm equipment to be used on any such land.

(b) The prohibition contained in subsection (a) shall not apply—

(1) in any case in which the agricultural commodity concerned is produced by the producer on land that is classified under the land capability class system of the Soil Conservation Service, Department of Agriculture, as land that does not have a serious soil erosion problem (Classes I through III, and Classes IV–VIII when the primary problem is one of climate, soil conditions or wetness); or

(2) in any case in which the agricultural commodity concerned is produced by the producer on land where a suitable conservation system is in place and has been approved by the Soil Conservation District, with technical guidance from the Soil Conservation Service; or

(3) in any case in which the producer has entered into a long-term agreement with the Secretary of Agriculture to carry out on land referred to in subsection (a) that is owned or controlled by the producer such conservation practices as the Secretary determines are necessary to protect the soil resources of such land from destruction by wind and water erosion.

NORTH DAKOTA SENATE CONCURRENT RESOLUTION NO. 4039

A concurrent resolution requesting the Secretary of Agriculture to ensure that federal farm programs neither require nor encourage cultivation of highly erosive land.

Whereas, agriculture is the source of a substantial portion of the new wealth created annually in North Dakota; and

Whereas, farmers and ranchers are a vital link between managing the soil resource for agricultural production and our ultimate food supply; and

Whereas, North Dakota farmers and ranchers must often base their management decisions on programs administered by the United States Department of Agriculture (USDA); and

Whereas, USDA farm programs often seem to conflict with the adoption and maintenance of sound soil and water conservation practices; and

Whereas, due to severe erosion potential, the cultivation of soils largely suited to pasture, range, and woodland uses should be avoided to guard against serious losses of topsoils; and

Whereas, it is essential that the stewardship ethic be stressed through voluntary programs to maintain soil productivity of all types of land for present and future generations; and

Whereas, federal farm programs should encourage the stewardship of all soils regardless of their capability; Now, therefore, be it

Resolved by the Senate of the State of North Dakota, the House of Representatives concurring therein:

That the Forty-seventh Legislative Assembly requests the Secretary of Agriculture to review federal farm programs and, where necessary, to revise such programs so that incentives for participation in disaster relief programs, crop insurance programs, or any other federal farm programs do not encourage the cultivation of highly erosive land; and be it further

Resolved, That the Secretary of Agriculture encourage provisions in federal farm programs which allow greater administrative flexibility at the state and local levels to allow for improved soil resource management; and be it further

Resolved, That copies of this resolution be forwarded by the Secretary of State to the Secretary of Agriculture; the administrators of the Agricultural Stabilization and Conservation Service, the Federal Crop Insurance Corporation, and the Soil Conservation Service; and the members of the North Dakota Congressional Delegation.

STATEMENT OF TOM BARLOW, NATURAL RESOURCES DEFENSE COUNCIL

We testify in support of S. 1825 which, if passed by Congress, would help mightily to ensure that topsoil stays where it is needed as new cropland is developed in our nation's vitally important Western farming regions. With this legislation, as farmers and ranchers shift from cattle production to crop production and then again, perhaps, back to cattle production as market opportunities beckon, the topsoil, that very basic resource for low cost, highest efficiency farm production, will not be wasted due to unwise federal government underwriting of productive effort. Our concern is for topsoil.

Yet we would point out what we feel to be the wisdom in considering a national scope for this legislation. For should S. 1825 be passed, as farmers and ranchers in the West undertake perhaps some portion of conservation effort or expense, in certain cases, in bringing new land into production in order to qualify for federal financing support, landowners elsewhere can be bringing new land into production without making such expenditure and receiving federal financing assistance to help in the effort because the owner is not asked to make any conservation expenditure in return for the federal assistance being requested. Should S. 1825 be passed, we would point out that the increment of production coming to markets from new cropland in other areas than the Western states which the federal government has helped to develop without some minimal conservation requirement, this extra production is going to impact market prices received by farmers and ranchers west of the 100th meridian who have made conservation investment in response to government request. We suggest an inequity here if the legislation is confined just to the West. Because federal financial support is national in scope, attention to conservation must be fully integrated and have national scope as well. Otherwise as States and regions work towards their respective conservation goals, their effort is undermined by federal assistance being made available without firm reference to conservation objectives.

We do not see what is being proposed in S. 1825 as a significant alteration of current Department policy. We point out that in the existing Set Aside Programs as administered by the Department under authority from the Agriculture Committees of the Congress, there is requirement that the land to be set aside have some conserving use applied: This has been Department policy for 30 years under administrations of both parties. The Department has been requiring specific measures of farmers in return for financial support ever since federal financial assistance programs were established within the USDA. It is a small, small step to be asking operator for attention to soil conserving practices for new cropland that they want to develop with financial assistance from the federal government. To the extent that there will be no serious erosion occurring on such land, no added levels of response to conservation needs need be sought.

We would like to express our gratitude to the Committee for addressing the topsoil erosion problem on America's cropland. The fact that one third of America's cropland is suffering topsoil losses at rates greater than can be allowed of our crop producing capacity is not to suffer in future years is a national resource issue of major importance.

We also compliment the Department of Agriculture for the furthering of the RCA process which it has undertaken. My organization will continue to take a constructively critical stance with regard to the principal RCA proposals of the Department, namely (1) targeting of conservation assistance and (2) the requirement of a conservation plan for Farmers Home Loans. We are only critical in that, we feel these steps do not address the situation in full measure. What value do we gain if all the conservation dollar and personnel assistance is sent to a needy area and a landowner still ignores conservation responsibility? An owner may have a conservation plan but it may be too technical or expensive or impractical to apply. Or even if the plan is feasible for the owner to undertake but the owner still chooses to ignore this plan, the owner may still apply for and receive financial assistance from the USDA and federally supported and insured financing institutions. The owner can be bringing the money from the bank and ignoring the appeals of conservation professionals with all the assistance that has been marshalled to help bring any excessive erosion under control.

But our criticism is not, I repeat, not a criticism of the steps the Secretary of Agriculture has proposed for the ongoing RCA process. We appreciate very much his attention and concern to this difficult area. We are for transactions to achieve conservation objectives, transactions that utilize employee time to maximum efficiency, transactions that, perhaps, reduce conservation paperwork from current levels per farm unit.

In closing I would like to apologize for the lack of attention paid by the environmental and conservation community to this very critical environmental problem area. Environmental and conservation organizations should be providing much greater support in the work of reducing topsoil losses by educating citizens across the nation to the problems that are upon us now and that will weigh even more heavily in the years ahead unless conservation of topsoil resources is addressed comprehensively and thoroughly. Also, we in the environmental and conservation organizations can encourage attention to inexpensive conservation systems, conservation systems that pay the farmer. This very critical work is not being done by the environmental and conservation organizations to the extent it can be with available resources.

And to the extent that this very critical work is not being done by the environmental and conservation community, we are a party to the destruction of the topsoil resource that is taking place, we are a party to the stripping away of the irreplaceable resource.

Again, I want to thank the leadership of this Committee and the Department of Agriculture for their thoughtful and concerned work on this very critical problem the solution of which is vital to the future strength of our nation. There are no limits to growth with the practice of wise agriculture, no limits to the increase of productive capacity with wise agriculture. The limits to growth, and they are very real, come with abusive agriculture. Thank you.

Nonirrigated cultivated cropland—average annual soil loss wind and water erosion

	Millions
Kansas:	
Sheet erosion (tons)	97
Wind erosion (tons)	68
Total (tons)	165
Acres affected	24
Nebraska:	
Sheet erosion (tons)	91
Wind erosion (tons)	15
Total (tons)	106
Acres affected	12
North Dakota:	
Sheet erosion (tons)	52
Wind erosion (tons)	47
Total (tons)	99
Acres affected	25
Oklahoma:	
Sheet erosion (tons)	40
Wind erosion (tons)	33
Total (tons)	73
Acres affected	10
South Dakota:	
Sheet erosion (tons)	43
Wind erosion (tons)	53
Total (tons)	96
Acres affected	15
Texas:	
Sheet erosion (tons)	78
Wind erosion (tons)	302
Total (tons)	380
Acres affected	20

Source: 1977 NRI-USDA.

NATURAL RESOURCES DEFENSE COUNCIL, INC.,
Washington, D.C., March 23, 1982.

Senator RICHARD LUGAR,
The Capitol,
Washington, D.C.

DEAR SENATOR LUGAR: We would like to thank you for co-sponsoring a bill introduced by Senator Armstrong that would include in the transaction between a farmer/operator and the Federal government when that farmer/operator receives

Federal financial support and assistance, the condition that the farmer/operator be applying on his cropland, conservation techniques to conserve topsoil and safeguard water quality. Much has been noised about during the last few years at the local, State and national level that regulation of farming activities is going to be necessary to reduce the high topsoil losses. I do not know if such an approach will be necessary at some point in future years to reduce topsoil losses. I do believe that with a condition for Federal support and assistance being that a farmer apply certain conservation practices—a transaction—we may secure such increases in the reduction of topsoil losses on the nation's cropland that such regulatory approaches may not be needed.

I do not know whether political interests in years ahead will be able to shape sufficient consensus to secure levels of budget resources at the local, State, national level which many conservation professionals tell us are needed to pay for conservation technologies to reduce topsoil losses to tolerable levels. We may find however, that with provision for conservation included as part of the financial transaction that occurs when support and assistance is provided to a farmer that such a welling up of attention to inexpensive, easy to apply conservation occurs across America that there might be much less need for large allocations of tax dollars.

It is our position that if such authority for conservation transaction is enacted by Congress, the Secretary of Agriculture be given the strongest encouragement to have local farm organizations select the practices to be applied. Local conditions are so unique and farming approaches so varied across the nation that local decision making must be paramount in determining practices to apply in a respective area.

With the conservation professionals meeting with local farm groups where the conservation transactions are operating to determine the practices that can be applied quickly and inexpensively to control topsoil losses, we see a much more rapid transmittal to local areas and more comprehensive application of cost-effective conservation techniques that have been developed by research stations and extension agencies. Also, there is a lot of home grown conservation expertise that will be stirred by this arrangement: Not all conservation knowledge is the exclusive domain of Ph.D.'s. With such conservation transaction we may find conservation professionals being able to serve many more farmers with the farmer attention to conservation that the transaction can focus, thus saving securing efficiencies in use of personnel time and personnel expenditures.

Some have likened this transaction approach to a first step on the road to eventual regulation of farming activities and use the analogy of the camel with his nose in the tent. I would think that it might be preferable to have the nose of the camel under a corner of the tent where I could watch it with a hammer in one hand and knife in the other rather than have the camel wandering around outside the tent and risk the probability the animal might trample the tent and me in it at some point.

We support the moves in many local jurisdictions and States to perfect and enact soil conservation ordinances. But in the final analysis the approaches which secure application of conservation to prevent high rates of erosion from occurring rather than after-the-fact clean-up, will be of greatest service to farmers. With regard to Federal programs we believe that the conservation transaction will ensure that the Federal government is supporting these very worthy local and State initiatives as they evolve.

We understand that Farm Credit Boards in certain regions are already including conservation features in credit transactions. We strongly support these Boards and hope their resolve can be supported by Congress before commodity prices move up from their current depressed levels and we find ourselves at the mercy of "fence row to fence row" psychologies of the past that resulted in so much soil wastage and loss of conservation gains of prior decades.

Sincerely,

THOMAS J. BARLOW.

STATEMENT OF JIM MILLER, ASSISTANT LEGISLATIVE DIRECTOR, NATIONAL GRANGE

Chairman Cochran, Chairman Jepsen, and distinguished members of these Agriculture Subcommittees, my name is Jim Miller; I am the Assistant Legislative Director of the National Grange, America's oldest active rural and farm organization. I appreciate this opportunity to present the Grange's views on S. 1825, a bill which attempts to deal with a troublesome problem involving the farming of fragile lands in the Western areas of our Nation.

The Grange commends Senator Armstrong for his initiative in addressing the serious problems which result when fragile lands are taken out of pasture production and converted to croplands. Clearly, these areas are prone to wind and water erosion at a higher rate than others where climatic slope, and soil characteristics would sustain intensive cropping. While we recognize the problem and are anxious to seek a workable remedy, we must oppose S. 1825.

Part of our opposition to the bill stems from a lack of flexibility which would allow a farmer who had not farmed a portion of land, regardless of its classification, to break it out of pasture for crop production. Perhaps this farmer had long-range plans for expansion, or the land may have been held for a son or daughter to enter farming. If this bill were adopted, the land would remain in pasture unless the farmer could risk crop production without benefit of farm programs or storage facility loans.

We would also question the wisdom of restricting the bill's impact to land west of the one hundredth meridian. The problem could also exist east of this line, and certain soil or slope characteristics of the land could make pasture revegetation equally difficult.

Lastly, the Grange has adopted policy opposing any form of cross compliance between farm program benefits and soil and water conservation program participation. We view this concept as one which would destroy the voluntary nature of traditional soil conservation practices. A regulatory approach to conservation would not present the most efficient and workable means to control the erosion of agricultural land.

In our opinion, Congress must take a different tack to the elimination of excessive soil loss. We believe that it is necessary to examine the impacts of the various tax incentives which lead to the conversion of pastureland to cropland. Certain aspects of capital gains, investment credits, and depreciation tax write-offs lend themselves to abuse if nonfarmer income enters the agricultural sector. Time would better be spent in this direction rather than in any effort to mandate conservation.

Thank you, again, for this opportunity to offer the Grange's view on this important topic. I would be happy to respond to any questions.

STATEMENT OF JOHN STENCEL, PRESIDENT, ROCKY MOUNTAIN FARMERS UNION

Chairman Jepsen, Chairman Cochran, my name is John Stencel; I am President of the Rocky Mountain Farmers Union, comprised of 11,500 family farmers and ranchers from Colorado and Wyoming. On behalf of the membership, I would like to thank you for this opportunity to testify before your subcommittees on Senator Armstrong's "Sodbuster" legislation.

Because Farmers Union speaks in the interest of family-owned and run operations, we have very special reasons for supporting this bill. We feel that S. 1825 both directly and indirectly responds to many of the crucial issues facing American agriculture today.

In the last couple of years, a great deal of attention has been focused upon the problems caused by soil and water erosion. It is particularly gratifying to note that media attention has not been limited solely to trade publications within the agricultural sector; that would be nothing more than preaching to the saved. Instead, features have appeared in major metropolitan areas both in print and on the air waves. These efforts have made millions of Americans more conscious of the harsh fact that prime cropland is far from being a disposable good.

Since 1977, the appearance of several government-sponsored studies has provided empirical evidence of just how serious the problem is. I shall forego a review of these reports, as I am confident that the members of both of these distinguished panels are familiar with the contents of the Natural Resources Inventory, the National Agricultural Lands Study, and the Resources Conservation Act report.

Throughout this period, the response of the National Farmers Union has been a call for the Department of Agriculture to strengthen its budgetary commitment to the conservation programs which are already in place. Although improved management may play a role in enhancing the operations of the Soil Conservation Service and the Agricultural Stabilization and Conservation Service, we feel that it cannot subsitute for sorely-needed financial support.

Farmers Union feels that S. 1825 serves a vital need in bringing farm policies into congruence with one another. By prohibiting price support payments to operators who plow out fragile soils, it brings an end to the absurd present situation wherein the federal government acts as an accomplice in the erosion process. Current law permits investors to receive federal assistance for abusing the land. We find this contradiction introlerable.

As I indicated earlier, we Westerners take a special interest in this legislation. In fact, Rocky Mountain Farmers Union was the first organization to publically endorse Senator Armstrong's bill. And there are sound reasons for endorsing this legislation, because Colorado is at the heart of the sodbusting issue.

More than 400,000 acres of Colorado rangeland had been broken out in the period from 1979 through 1981, according to the USDA's Soil Conservation Service. That trend has accelerated in the past three months, and thousands of acres of our fragile grasslands are disappearing under the plow each day.

Some of this land is Class III or better, and is capable of supporting wheat. Under Senator Armstrong's legislation, this land would still be eligible for our federal farm programs. But all too often, these sodbusters are breaking out fragile grasslands, exposing the marginal soil to the erosive power of wind and water.

Soil conservation officials in eastern Colorado estimate that the land will support about two crops of wheat before the decaying organic matter and stored mositure is depleted. Last Fall, they cautioned that wind and water erosion would become a serious problem as the wheat yields began to fall.

The unfortunate combination of high winds and inadequate moisture on the High Plains this Spring brought their prophecy to pass sooner than expected.

An account of one dust storm, as reported in the Greely Tribune on March 31, said, "The blowing dirt blotted out the sun. The fence along the west side of the county road—what's left of it—is buried in a collection of weeds, topsoil and sand. The adjoining field is virtually bare; young wheat plants sliced off at ground level by the biting sand."

Those dust storms underlined the need for immediate action on this issue. But to properly address this problem, we must first answer three important questions:

Who is responsible for the plow-up?

Why are the grasslands being broken?

What is the danger—if any—of this trend?

The Rocky Mountain Farmers Union spent the past several months researching this issue in an effort to answer these questions. What we discovered is a marriage of large custom farmers and foreign owners who are breaking the grassland for an immediate profit without regard to the long-term environmental and economic considerations.

According to the U.S. Department of Agriculture, Colorado contained 320,000 acres of foreign-owned land on December 31, 1980, an increase of 37.5 percent in only 23 months.

A survey conducted by our organization of the Foreign Investment Disclosure Act statements filed in six selected Colorado counties reveals that the trend has rapidly escalated in the past 16 months. Many of the files disclose transactions conducted since the USDA's latest report in December 31, 1981. In fact, the files studies in April disclosed that four eastern Colorado counties alone contain 191,000 acres of foreign-owned land.

Comments included on those disclosure forms tell the sodbusting story:

"Pasture is to be changed to farmland," reads one report, while another states, "We have put all of this land into crop production except 330 acres." A third report explains, "The foreign owner hires local farmers on hourly rates to break ground and plant crops."

These statements parallel the USDA's conclusions about foreign ownership of American farmland. In a report published in July, 1981, the USDA states, "Important differences were found between farming operations on foreign and U.S.-owned tracts in (1) livestock hay, and pasture production, (2) investments in improvements and conservation, (3) marketing of crops, and (4) leasing arrangements."

While I do not want to get sidetracked into the specifics of all of those areas, it is important to note that the USDA found the percentage of farmers who engage in livestock production was the lowest on foreign-owned tracts, and highest on owner-operated acreages.

Likewise, the study concluded, "Investments in land improvements, primarily fences, drains, and terraces over the last five years were least frequent on foreign-owned tracts and most frequent on owner-operated tracts. Conservation practices on cultivated land with slopes over five percent were also least frequent on the foreign-owned tracts."

This leads to the question, "Why are the grasslands being plowed?"

Quick profit is a prime motive, since $150 per acre grassland can be converted into $300 per acre wheatland with the passing of a plow. A handful of custom farmers in Colorado are now involved in the process of buying grassland, breaking and planting it, and then selling it to foreign owners at its wheatland value.

The role of government farm programs in encouraging this trend cannot be ignored.

The Disclosure Files examined by the Rocky Mountain Farmers Union document high participation in the federal farm programs by the absentee foreign owners. Soil conservation official David Sharman of Lincoln County, Colorado, has reported that the sodbusters have been eager to establish their average crop yield on the basis of the crop harvested during the first year, when the decaying grass and stored moisture produce an abnormally heavy crop. The Federal Crop Insurance Program, and other disaster provisions will base all future payments on the basis of that first crop, even though wheat yields will decline after the second year on this marginal land. That crop insurance program will protect these producers from the results of their own destructive farming practices.

A number of other factors involved in this issue are interrelated with some of the major questions in American agriculture today. During the past decade, for example, every administration has urged that American farmers increase their production to meet foreign demand for food and feedstuffs. Farmers responded willingly to this "fencerow-to-fencerow" encouragement. But with bountiful crops, a depreciated dollar, and a worldwide recession, farmers found themselves selling millions of tons to overseas customers at below cost of production. For many, farming became a matter of minimizing losses rather than maximizing profits. The short term solution for this has been to put marginal lands into production; the long range damage caused by that response may be devastating.

Some have argued that the farmer has every reason to plow up new land under current conditions, and little incentive to practice conservation. We feel that those who make this claim should define "farmer" a little more carefully. The true family farmer or rancher who owns a small or intermediate-sized operation may resort to working marginal soil as a temporary measure to ease a cash-flow dilemma, but will ultimately return to using conservation techniques. The family farmer must think in terms of generations, not just quarterly profits. The corporate landowner and foreign investor, on the other hand, do not share this vision. They tend to regard agriculture as just another business venture, one which must show a return on investment as quickly as possible. And the land is worked accordingly.

We have created a situation where the government farm programs—which were orginally designed to foster an owner-operator system of agriculture—are instead serving as a type of foreign aid program for wealthy investors in Canada and overseas. S. 1825 would remove the government incentive for this destructive agricultural practice.

If we fail to enact S. 1825, we will have set the stage not only for increased soil erosion on the American High Plains, but for economic decline as well. As an SCS official observed recently, "Every time one of these ranches is bought out, one less family lives here." That is the crux of the problem.

Our most serious erosion problem in the United States is the erosion of farm and ranch families from our soil. Those are the families who produce our abundant food supplies at reasonable prices, and who have been documented to be the best stewards of our food resources. S. 1825 will help halt this form of erosion. We are pleased to endorse this bill.

In the months and years ahead, we will be working for additional measures which will erase the tax incentives for foreign investment, and which will return our domestic farm programs to the role of fostering growth among the moderate-sized segment of farm and ranch owners.

STATEMENT OF LEON SILKMAN, PRESIDENT, COLORADO ASSOCIATION OF SOIL CONSERVATION DISTRICTS

Thank you Mr. Chairman. I am Leon Silkman, President of the Colorado Association of Soil Conservation Districts and a farmer from Burlington in eastern Colorado. I am here to testify in support of Senator Armstrong's proposal to prohibit economic incentives for crops produced on newly plowed fragile grasslands.

650 SECTIONS PLOWED

Over 417,000 acres of native Colorado grasslands have been plowed in the last three years. That's 650 sections of land. Most of this is Class IV and Class VI lands which present serious soil erosion problems. These soils are too steep or too thin or too rocky to grow good crops. It is also impractical to install enough conservation practices to protect them.

This land may produce a good wheat crop for one or two years after it is broken out . . . at least that's what the speculator hopes for. Wind and water erosion take over and it is difficult to return the soil to good grazing condition.

A STEP IN THE RIGHT DIRECTION

The Armstong bill will prevent persons who plow these lands from receiving price supports on the crops produced. It would also prevent loans for storage facilities. It's a step in the right direction to cut off incentives which now encourage the plowout of marginal lands. If we don't stop the sodbusters, the taxpayer will likely pay again as he did in the 1950's when government programs helped put the land back to grass.

A TRAIN OF SOIL AROUND THE WORLD

Colorado loses 227 million tons of soil each year to wind and water erosion. Enough to fill a train of railroad boxcars that would circle the earth.

We lose five bushels of soil for every bushel of wheat that we grow. That's based on a 30 bushel yield every other year in a wheat-fallow rotation. Five bushels of soil for a bushel of wheat. We can no longer afford to mine our resources. I ask that you give this bill your rapid approval.

ATTACHMENTS

I have several attachments which I would like to leave with the committee, along with my prepared remarks. The attachments include definitions of Class IV, VI and VII lands[1], evidence of foreign investments and plowout,[1] and a map showing locations of Class VI and VII lands in Colorado.

But it will not continue to produce over the long-term. It will not produce enough wheat to provide an adequate plant and residue cover for the soil.

SOIL DISTRICTS OPPOSE PLOWOUT

Therefore, the Colorado Soil Conservation Districts take a firm stand opposing the reckless plowout of fragile grassland in eastern Colorado. We know that large block farming of these lands with no conservation practices will lead to serious soil erosion.

We also understand that agriculture is operating on inflated land values, and when you convert grassland to cropland, a higher value is put on it immediately. If the owner of 2,000 acres of pastureland plows it up and sows winter wheat, a banker is likely to give him a larger operating loan based on a higher land value for collateral—even if the land is marginal for crops—also a potential buyer will pay a higher price.

CAN'T RELY ON MOTHER NATURE

But, we can't continue to put our faith in the whims of Mother Nature. Dry windy conditions have brought massive erosion similar to that which occurred during the 1930's dust bowl, again in the fifties and in 1977.

We must act now to prevent further destruction of our grasslands.

ONE WHOLE TOWNSHIP

In my own county (Kit Carson) one complete township was plowed out in just five days last summer, by absentee investors. Most of the acreage that has been plowed is fragile, badly needed grassland, which normally grows just enough grass to maintain cattle.

QUESTIONS

I do have two questions concerning S. 1825. What happens if land ownership changes? Do the restrictions pass to the new owner? I think the committee should address this issue. The problem of plowing the plains will not go away. In preparing my comments, I visited with conservation district supervisors in several Colorado Counties. They anticipate continued rapid plowout, primarily by absentee investors.

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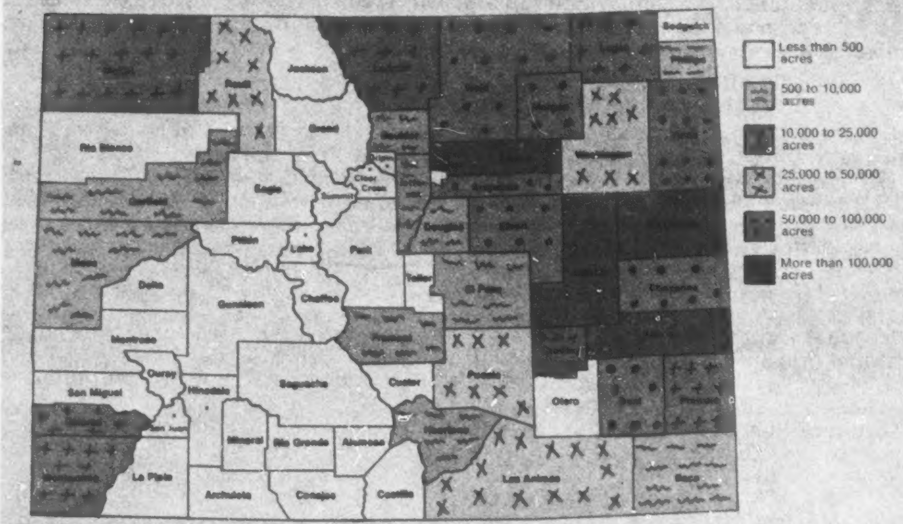
[1] Retained in Committee files.

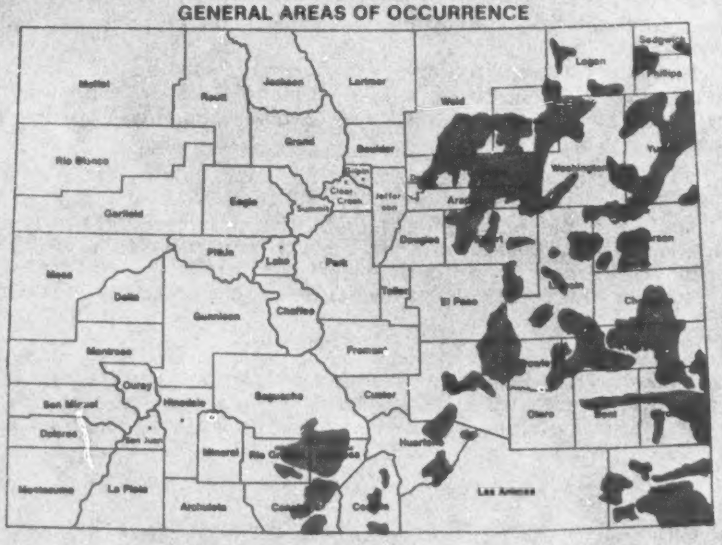
The second question has to do with the exceptions to the prohibitions contained in subsection (a). Items (1) and (2) give us no problem because item (2) indicates a "suitable conservation system is in place and has been approved by the Soil Conservation District." However, item (3) does not include language indicating the long term agreement is anything more than a piece of paper hanging on a wall. We would encourage the addition of similar language to Item (2) indicating that the long term agreement is being implemented and maintained.

Let's act now to save our grasslands. Thank you.

CAPABILITY CLASS VI AND VII CROPLAND


Less than 500 acres
500 to 10,000 acres
10,000 to 25,000 acres
25,000 to 50,000 acres
50,000 to 100,000 acres
More than 100,000 acres
Moffat
Routt
Jackson
Logan
Sedgwick
Phillips
Weld
Morgan
Rio Blanco
Grand
Boulder
Yuma
Washington
Clear Creek
Summit
Eagle
Garfield
Adams
Arapahoe
Mesa
Pitkin
Lake
Park
Douglas
Elbert
Delta
Gunnison
Chaffee
Teller
El Paso
Cheyenne
Fremont
Montrose
Ouray
Hinsdale
Saguache
Custer
Pueblo
Otero
Bent
Prowers
San Miguel
Dolores
San Juan
Mineral
Rio Grande
Alamosa
Huerfano
Montezuma
La Plata
Archuleta
Conejos
Costilla
Las Animas
Baca

SEVERE WIND EROSION HAZARD
GENERAL AREAS OF OCCURRENCE


Moffat
Routt
Jackson
Larimer
Logan
Sedgwick
Phillips
Weld
Grand
Boulder
Rio Blanco
Gilpin
Clear Creek
Jefferson
Washington
Yuma
Eagle
Summit
Garfield
Douglas
Kit Carson
Pitkin
Lake
Park
Mesa
Lincoln
Delta
Teller
El Paso
Cheyenne
Gunnison
Chaffee
Fremont
Montrose
Pueblo
Ouray
Hinsdale
Saguache
Custer
San Miguel
Otero
Bent
Dolores
San Juan
Mineral
Rio Grande
Huerfano
Montezuma
La Plata
Archuleta
Conejos
Costilla
Las Animas

Source for both maps is the Soil Conservation Service, U.S.D.A. Denver, Colorado. May 1981.

BEST AVAILABLE COPY

Statement of Edith Steiger Phillips, Rancher, Keota, Colo.

I am angry. The federal government implicitly encourages speculators to plow fragile grasslands. I have been blown off my land at Keota as a result.

Three years ago I returned home to retire in peace on my father's 1911 homestead. Instead I find the fragile prairies being plowed and the dust now blows. I am miserable.

Keota today is 1930 all over again—a dust bowl. My father had to leave Keota in 1930 with three small children. Now the house he built, the barns he built, the land he hoped for are once again covered with fine dirt impossible to push, shovel, or remove.

The nutritious buffalo and grama grass pasture is gone, buried, and infested with noxious weeds. Fences and roads have disappeared under tons of drifting topsoil. Giant weeds carried my east fence to the ends of the earth. I can't find it.

A windbreak, seven years old, that I have slaved and prayed over, is now ruined, impacted to the top of 15 foot tree tops with huge weeds, the trunks buried, And now deadly rattlesnakes seek refuge there from the plowed fields once their home.

The famous Mountain Plover has loved the Keota prairie for centuries. It is found nowhere but at Keota. this delightful bird is now an endangered species.

Since 1979 I have lived in an eternal dust storm as tons of precious topsoil took off to form sand dunes six feet high, covering and impacting hundreds of miles of fencerows, covering prairie grass, plugging nostrils of man and beast, infecting eyes. Dust storms blackened the sky, 1500 feet high for as long as fifteen days at a time. The seeds of noxious weeds now infest the prairie grass.

On May 17, 1979, when the bright red and yellow cacti were in full bloom as far as the eye could see, a land speculator, an indefinitive parasite, moved in with many big tractors and plows. Like a snake in the grass he crawled across the grasslands with great speed. Within two days and one night the land west of me, 2 sections, had been raped and killed forever.

This is the land that had taken 50 years to return after many reseedings. It was beginning to be productive once again.

The grasslands at Keota are very fragile. Good for grazing, useless for crops. We are on an old lake bed. Brule Siltstone underlays the area with a mere one to two inches of topsil. Outcroppings of white chalk glistens in the sun for 15 miles north to the Pawnee Buttes. The land is classified as No. 6 and No. 7. Good for grazing if carefully tended and not overgrazed, but useless for farming. We get very little moisture, some years none at all. This year is one of those dry years. We have periods of 5 years and more of no moisture, yet the buffalo and grama grass grow.

Last year nothing grew on the two sections of plowed grassland west of me. The speculator said hail knocked it out. There was no hail at Keota, 1981. The first time in seven years. It was the soil, not the crop that did not produce because it can't and never will. It is gravel.

This is the same land the government spent a fortune on to get grass to grow. It is the same land another nitwit plowed, then blatantly walked away from it, crying all the way to the bank leaving desolation and destruction behind.

The 1980 speculator has plowed more than 23,000 acres of fragile grassland at Keota. My place is surrounded for miles. This January the winds blew for days, turning Keota into a disaster, a greedy ruin that may not recover. The Pawnee National Grasslands, east of me is buried. A Denver Post reporter titled it the Keota Sand Dunes.

The speculator today plows, with his giant tractors, a thousand times more land than the 1918 speculator did. He has one objective; plow and sell quickly to a rich, unsuspecting Canadian. The two naive and simplistic Canadians from Saskatchewan who brought 10,100 acres adjacent to my land admit they have been deceived by the speculator for the $1,200,000 each paid. One informed my neighbor he may not be able to make the interest payments this year. I hope he doesn't. He will lose his shirt and his pants.

But what will this gain? The government will spend thousands of dollars reseeding the plowed grasslands. And for what? Another nitwit to plow the land again? History repeats itself at Keota.

In the last three years in Weld County more than 88,900 acres of fragile grassland have been plowed, all but a few hundred acres by speculators. Owners of grasslands plow to win government goodies offered so generously to poor stewards of the soil.

At this hour a rich Canadian, who owns a large trucking firm in Canada, states he is worth $5 million in Canada and can't get out without losing it all. He has plowed two sections of class No. 6 grassland north of me. He bought four more sections of class No. 6 grassland west of Briggsdale and is plowing it. Hired men know nothing of farming.

Within the last month the Weld County Commissioners at last, after hearing me shout, scream, holler and threaten to sue them, took action. With expert help of the Rocky Mountain Farmers Union, the media blitz snowed under the commissioners and they had to act. As a result the Governor, the Land Use Commission, and now the Weld County Commissioners, depending on the decision due today, can stop sodbusters.

The action is too late for Keota. It is to late, too, for a rich Canadian who paid $4 million for Class No. 6 soil for a whole township northeast of Riverside Reservoir. He was stopped for a few days but while waiting for a decision from the Governor he hired extra tractors to plow day and night.

The speculator who plowed the 23,000 acres at Keota told me he could not lose. If he failed, the government would bail him out. He bragged he had made $50,000, 1978, without lifting a finger to farm. This is the speculator who has plowed more than 100,000 acres of the 450,000 plowed in Colorado the last few years.

Now I ask you? Do we need another 450,000 acres of wheat? We have a huge surplus. It costs billions.

What Colorado needs is a law such as 30 other states have prohibiting and limiting alien land ownership. No wonder speculators flock to Colorado. They can't rip off anyone in Wyoming, Oklahoma, Arizona and 27 other wise states. Colorado is the third largest state where foreign ownership of our agriculture land is recorded. Texas and Maine are first and second.

With price supports, disaster payments, low interest loans, payments not to grow, and all the other expensive goodies our government hands out, no wonder they grab this welfare. And how much is going to Canada with their countless agents, so-called, here in the U.S.A.? What do we get in return? More of the same, year after year until now it has become an expensive joke.

Here is something that gags me: a farm cooperative central Denver Bank has given the Russians $3.5 million credit to buy grain. No other responsible financial institution would touch it. We won't get it back. And just what is Russia doing with all the wheat we sell her? She is making a biologically produced toxin called yellow rain from fermented wheat. This yellow rain has killed thousand of innocent people in Laos, Cambodia, Afghanistan. Why do we sell wheat to Russia knowing this horrible thing takes place? Why? Why?

I urge you to stop financing the destruction of our fragile grasslands, that in Colorado are becoming nightmare sand dunes. I urge you and beg you to act in haste for the time is way past midnight to do something. It should have been long, long ago.

STATEMENT OF RALPH YODER, KARVAL, COLO.

I am Ralph Yoder of Karval, Colorado which is located on the plains of eastern Colorado about 130 miles southeast of Denver, Colorado. I am 67 years old and have spent my entire life in that vicinity. I, with my son, am engaged in the cattle business and so some farming for cattle feed and wheat when moisture conditions are favorable.

My purpose in appearing before you is in support of S.B. 1825. Our government, for too long, has encouraged the "sod-busting" of many acres of fragile lands with subsidies of one enducement or another. The result is that taxpayers have footed the bills to reclaim these lands to grass and in many instances these same lands were later put under the plow. Thus, the taxpayers of this nation have paid twice: to reseed; to rebreak. This bill is a step in the right direction of removing the fragile land problem off the taxpayer's back. Further, it will protect neighboring lands and the environment.

Since this bill concerns fragile lands, let met give a quick definition. Fragile lands are those of a heavy clay soil with very little top soil. Penetration from ordinary rains is minimal. These lands are in areas of rainfall from 11" to 14" average which means that occasional and unpredictable floods of 4" to 5" are included in that average. When floods hit these fragile plowed lands, gullies are washed in the fields. The silt is deposited in livestock dams which renders them, in a short time, unusable as the silt is practically impossible to clean out. Many times, good grass lands are covered with the silt below these plowed fields. These fields will produce tumbleweed and other like blowing weeds that wreak havoc on the fences for miles downwind, including fences along highways. The fences must be cleared out by highway personnel or they will go down. This also applies to fences privately owned. As the tumbleweed moves along, its seed is left so the infestation of these weeds can remain for years on good grass lands. Thus, blown down fences can remain a probability if the weeds are not removed by the aggrieved.

The 30's saw the dust storms fill the skies from fields devoid of moisture and the lack of modern farming methods and today's improved seeds. Yet, when moisture is lacking, even today's methods cannot control these fragile lands when the terrific winds come and they are to be expected. The critical time is at planting time in the prepared fields when the lack of moisture with high winds is a possibility.

Farming methods improved by the late 40's and early 50's. In November, 1946, 38" of snow covered most of our area and then soaked away. Many acres of our fragile lands went under the plow, primarily by "suitcase" farmers. I asked one who had bought land and was plowing (sod-busting if you will) several thousand acres why he thought the land would grow wheat. His reply, "it will grow grass, so it will grow wheat." He found out otherwise. From some 4,000 acres hardly a truckload of wheat was raised in three or four years. This attack of the fragile lands saw the return of blowing dust, damaging thistles, and other weeds that caused many fencing repairs and cleaning by others than the "sod-buster." Livestock dams were again filled with run-off mud from the fields. Acres of grass lands were covered by baked on hard crusts of mud below the fields.

Now what happened to these lands? The government stepped in and with the taxpayers' money paid these "sod-busters" an annual fee of $5 to $10 per acre, for up to 10 years, not to farm this land! The government did not take title to these lands as they did in certain areas; areas that are now in grass under government control. The fact is, the goverment (taxpayers) paid these people for seeding their lands while also furnishing the seed. Although some in Congress attempted to form restrictions as to ever farming these lands again, none were made. The result is that the reseeded lands have been broken out again. Acres not plowed again were subsequently obtained by grass land operators who learned through the years, starting in the homestead days, that these fragile lands were not to be farmed but left in their native grasses of Buffalo, Alkali-Sacatan, and Gramma. One will hear that the dry spells and winds are an act of God, which, in my book is false because God said many years ago not to break the sod on these fragile lands but to leave them like He meant them to be. He let experience be our teacher!

Congress, through the U.S. Department of Agriculture has attempted over the years to deal with this dust blowing problem in conjunction with other problems facing the agricultural community.

Over the years, however, there have been certain policy conflicts developed. The government on one hand has paid for the reseeding of dust blowing areas while on the other hand they have developed programs making payments available for the rebreaking of the lands for reseeding.

As an example, programs have been available over the years for the reseeding of dust blowing areas. The Soil Land Bank is an example. I am attaching to this testimony a letter from our county ASCS office which was a notice to farmers that they could lose their allotments if they did not plant.

Why should taxpayers be charged for the reseeding and then turn around and be charged for the rebreaking of such lands? This type of policy conflict, in my opinion, will be stopped with the passage of S.B. 1825.

I wish to attest to total agreement of Senate Bill 1825. I am only sorry that the concept of this bill was not entered into law years ago.

In closing, the lands of our nation that are worth farming can and should be farmed. Those not suitable to farming should be returned to their natural state. More so, the taxpayers should not be placed in the position of bailing out those persons who select to bust the sod where, in fact, nothing can grow but devastation to mankind.

Thank you.

U.S. DEPARTMENT OF AGRICULTURE,
LINCOLN COUNTY ASCS OFFICE,
Hugo, Colo., April 27, 1982.

Mr. RALPH YODER,
Karval, Colo.

DEAR RALPH: As we discussed the other day, the wheat allotments that were on the soil bank land were lost if the producer took program payments and did not plant wheat. I quote from a publication "ASCS Commodity Fact Sheet" that I have here at the office:

"Failure to plant at least 90 percent of the allotment to wheat, or a crop designated by the Secretary as an eligible substitute, will result in loss of allotment not to exceed 20 percent of any one year. After three consecutive years of zero planting, the allotment will be removed."

If a producer did not receive payments the allotment was protected until the laws and regulations changed to the "Normal Crop Acreage" (NCA) concept. This was done starting in 1978.

If I can be of further help please let me know.

Sincerely,

EARL MCDONNELL, *County Executive Director.*

STATEMENT OF KEITH PROPST, PRESIDENT, COLORADO FARM BUREAU

My name is Keith Propst, and my family owns a diversified farming and ranching operation on the South Platte River near Merino, Colorado. We have witnessed many changes since 1876 when our grandfather established the ranch. Our major crops are corn, sugar beets, and alfalfa. We also operate a beef cattle feed lot and run a cow-calf operation.

I am the president of the Colorado Farm Bureau which is the state's largest organization of farmers and ranchers.

I appreciate the opportunity to testify on a subject that is again critical in eastern Colorado. We are on the verge of creating another Dust Bowl. Over 439,000 acres of fragile grasslands have been plowed out in the last three years.

Some of the land is being purchased by foreign investors with the intent to produce wheat. In other cases, however, local interests are plowing the grass.

Basically, this happening because of economics:

1. The disparity between the price of the grazing land of a depressed livestock economy and the price of wheat lands which are operating under the protection of government programs—price supports, disaster payments, storage payments, loans.
2. Production costs have escalated while commodity prices have declined—the cost-price squeeze.
3. Loan agencies, government and private, require the highest return from management with little regard of the long-term consequences.
4. Government programs which guarantee a price and a market for certain commodities.
5. Foreign investment in United States land is more secure in the long-term than in other countries.

During a recent hearing in Greeley, Colorado, a foreign purchaser of about 15,000 acres of grassland stated that it was stupid to leave the land in grass and rent it for $2.50 an acre when it can be plowed and rented for $25.00 an acre. This amounts to short-term exploitation of a very fragile resource that may produce a good crop for a few years until the humus is used up. Then the ground blows for twenty years or more while nature tries to heal the wounds.

We do not take issue with a landowner who chooses to change the use of his land. That is a property right which we feel must be protected. We do take issue with people plowing poor land to take advantage of government programs. The landowner may have a right. He also has a responsibility—to his neighbors, the community, and to the preservation of the land resource for future generations.

The bill introduced by Senator William Armstrong denies price supports and storage facility loans to owners of newly plowed lands. We want to deny all economic incentives, including FmHA loans, disaster payments, and federal crop insurance.

It is not our intent to develop this legislation into a national land-use policy. We feel such policy is a function of local government. But it is our intent to take away government incentives which result in irresponsible land practices.

There would be several benefits:

It would remove the present and potential costs of these practices as a burden on the federal budget.

It would encourage supply-and-demand in the market place.

It would discourage practices that result in greater soil erosion.

It would remove the inconsistency of the federal government providing economic incentives to plow land, while local communities are attempting to halt the misuse of fragile lands.

While we support Senate Bill 1825, we strongly recommend that it be a national policy to cut all economic incentives. We also call for provisions for local determination as to whether new lands, in fact, are suitable for cultivation.

In summary—we do not oppose the idea of a landowner maximizing the use of the land resource. But it should be done in the climate of the free market system and not because of economic incentives from the government.

The thinking goes something like this: Raise the wheat. If there is a surplus, the government will support the price. If a disaster, the government will make disaster payments. Next year, if the government requires a set-aside, set aside the blowouts because they don't raise anything anyway. Plow out sod this spring, plant it to winter wheat this fall, and if there's a good crop going, sell it to some unsuspecting purchaser and let him worry about it. If all else fails, government will pay conservation payments to reseed the grass.

And the wind blows, and the dust rolls over the land; piles up along fence rows; chokes the air; and attacks adjoining grass land like a cancer. That magnificent vista of grass which greeted our grandparents becomes an ugly nightmare.

Too often in the past that has been the scenario.

Thank you for the opportunity to share our concerns.

STATEMENT OF MARSHALL FRASIER, PRESIDENT, COLORADO CATTLEMEN'S ASSOCIATION

My name is Marshall Frasier. I am a rancher in the counties of Arapahoe and Washington in the state of Colorado. Today, I am representing the Colorado Cattlemen's Association whose membership numbers 3200 stockmen.

We in the Association appreciate the opportunity to present testimony pertaining to S.B. 1825. This proposed bill was discussed thoroughly during our Association's Mid-Winter Convention held in Colorado Springs on December 7, 1981. Following this discussion, the convention unanimously adopted Resolution S.B. 1825:

Whereas, the population of the United States is increasing and so are the acres of rural land being taken out of production which will require increased emphasis on the wise use of remaining land; and,

Whereas, thousands of acres of previously unplowed grassland is being cultivated annually with no regard to soil features, topography, erodibility, climate, and limitations on future cropping practices; and,

Whereas, much of this recently plowed sod is extremely erodible making it difficult to establish vegetation; and,

Whereas, well-intended federal government price support and allotment programs tend to aggravate this situation by encouraging farmers to plow up marginal land that is the most erosion prone.

Therefore be it resolved, that the Colorado Cattlemen's Association supports the efforts of Senator Armstrong, and urges support of S.B. 1825 as introduced to make inapplicable support payments, disaster aid, and storage facility loans for land that has been uncultivated for 10 years.

Today, I am also attaching a statement from William Bledsoe who is a second generation rancher in Cheyenne County. Mr. Bledsoe was sorry that business conflicts made it impossible for him to attend but he is very much in support of this legislation and requests that his statement be incorporated with the statement of the Colorado Cattlemen's Association.

In addition to testifying for the Colorado Cattlemen's Association, I want to personally attest to favorability of such legislation as outlined in S.B. 1825. I own and operate a 30,000 acre ranch. In the last two years, 80,000 acres of Class 7 land has been plowed in my county. Unfortunately, this plowing has been done on lands that border my ranch on two sides. Prior to purchasing my present holdings in 1946, I was in Southeast Colorado for several years. However, I had to sell my livestock operations as a result of dust storms and erosion caused by the plowing of Class 6 and 7 land. My personal experiences with dust storms goes even further back to my childhood days in western Kansas where I lived some twenty miles from the Colorado line. As a child, in the 30's, while walking home from school, daylight turned to dark at 4:30 in the afternoon—a result of blowing sand. Experiences of this kind led to my desire to testify before you today on behalf of the cattlemen's association.

In Colorado, at the present time, we are facing a severe problem of blowing dust as a result of the current dry spell. A moratorium on the plowing of Class 6 and 7 lands is being considered by the counties of Weld, Washington, Cheyenne, and Kit Carson. Legislation, such as S.B. 1825, would support this type of action.

In summary, the Colorado Cattlemen's Association sincerely urges this committee to take immediate action on this proposed legislation.

We appreciate the opportunity to appear before you today.

STATEMENT OF WILLIAM BLEDSOE, PAST PRESIDENT, COLORADO CATTLEMEN'S ASSOCIATION

My name is William Bledsoe. I am a rancher and farmer living in the western part of Cheyenne County, Colorado. I was growing up here in the 1920's and 30's.

Our annual rainfall is about 14" and this precipitation can be very sporadic. There will be a series of fairly wet years followed by a series of dry years. During the dry years, rainfall is often less than half of the normal amount.

We had a series of dry years during the 30's. This condition, combined with high winds, created the dust bowl which extended from North Dakota to the southern part of Texas. At that time the terrible dust storms made daytime as dark as night. These storms caused cattle, birds, other animals and people to die of dust pneumonia. Many fields lost their fragile top soil and were eroded down to the hard pan.

In places, grassland was covered by several inches of soil from blowing fields. It took several years for this grassland to re-vegetate. In the late 30's and early 40's, a lot of abandoned farm land gradually was covered with weeds and vegetation, stopping its wind and water erosion.

World War II and high wheat prices brought a new surge of plowing up grasslands. Government policy of price supports and disaster payments caused new influx of "suitcase" farmers who plowed up the land again.

In Cheyenne County in the last two years, more than 100,000 acres of land has been broken out of grass and planted to wheat.

This is usually done by individuals buying up large ranches. Huge equipment is used to plow up all types of soil whether it is suitable for farming or not. Heavy clay, rocky land and very hilly land has been plowed. Land has been used that a farmer concerned with good care of the soil and the environment would never try to farm. In the past the Government has encouraged this misuse of land by making payments regardless of the suitability of the land used.

We are sure to have a return of dry cycles and high winds. When this happens the good farmer, interested in soil conservation and maintaining the family farm, will be the first to suffer. Residents of small towns will also suffer by having to breathe the dust generated by the winds.

Top soil in the west is very fragile. There is the old Smokey Hill Stage Coach Trail that crosses our ranch. This roadway was formed during the gold rush days and has not been used for one hundred years. The ruts are still visible. Also, dirt blown into the fence rows in the 30's and 50's is still piled against the fences.

I hope the Government will formulate a policy that will discourage farming practices that bring on "dust bowl" conditions. This can be done by (1) refusing payments to farmers who break up land that is not suited to farming and (2) withholding payments to "suitcase" farmers who do not look after their land.

STATEMENT OF ROBERT C. BAUM, PRESIDENT, SOIL CONSERVATION SOCIETY OF AMERICA

Mr. Chairman, thank you for the opportunity to testify on behalf of the Soil Conservation Society of America on Senate Bill 1825 which would prohibit eligibility for price support programs under certain conditions.

The overriding issue here is the economic plight of individual ranchers. Because of dire economic conditions, ranchers find themselves tempted to convert rangeland into cropland. Rangeland which is broken out or plowed under subjects the soil, especially soil in land capability classes six and seven, to severe wind and water erosion.

It is our understanding that in Colorado alone more than 400,000 acres of this type of land have already been broken out in the last three years. The potential for further conversion remains great.

SCSA believes that landowners are stewards of the land. We strongly support the right of an individual landowner to do with his or her property as they please so long as there were no adverse impacts on their neighbors or the environment.

At the same time, whether economic conditions dictate or not and land has been broken out or converted, thereby subjecting it to the ravages of wind and water erosion, we do not feel that government at any level should be supporting that conversion and therefore supporting land degradation.

We have several questions which we feel need to be answered before this legislation is enacted. First, how much of the marginal land that this bill seeks to protect has been in production in the last ten years? If it is a sizeable amount and would be "grandfathered," then this legislation will not accomplish its intended purpose.

Second, what effect will the bill have on potential cropland that has not been in production but that is not susceptible to any great degree to erosion?

Thirdly, the bill assumes that all landowners who have signed an agreement with the Secretary of Agriculture to carry out long term conservation practices have indeed carried out their intentions and their obligations. Is this, in fact, the case? If not, do they deserve special treatment?

Is there any chance that farmers and ranchers, faced with the prospect that this legislation is about to be enacted, might be encouraged to plow up marginal land in an effort to meet the ten year exemption?

Our Alaska membership is quite concerned about the impact this legislation may have in their state. Land is currently being developed for the first time for agricultural purposes. What impact, if any, would this legislation have on their specific situation?

The Soil Conservation Society of America feels that this type of legislation is needed in some form. We do feel, however, that the questions which we have raised need to be addressed as well as the need for this concept on a national basis and not just in the west.

Thank you for this opportunity to testify on Senate Bill 1825.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 21, 1982.

Hon. JESSE HELMS,
Chairman, Committee on Agriculture, Nutrition, and Forestry, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for a report on S. 1825, a bill "To prohibit price support for crops produced on certain lands in the western part of the United States which have not been used in the past tens years for agricultural purposes, and for other purposes."

S. 1825 would deny price support eligibility to any producer of any agricultural commodity produced on any land located west of the one hundredth meridian that had not been used for the production of an agricultural commodity at any time during the top ten crop years immediately preceding the crop year in which this bill becomes law. It would also deny eligibility for participation in the farm storage facility program if the use of loan funds were for erection of a facility to be used to store an agricultural commodity produced on any such land.

While the Department of Agriculture strongly supports the soil conservation objectives of S. 1825, it opposes enactment of this bill.

The primary objective of this legislation is to promote soil conservation in an area where many feel the need is most severe. Soil conservation is one of the top priorities of the Department and the Department strongly supports the soil conservation objectives of this measure and believes that producers should be encouraged to employ the best practices in the management and use of their resources.

We recognize that a problem does exist and this problem is the focus of this legislation. However, in this instance the problem is, for the most part, site-specific. In such a case, it would seem that a more equitable and efficient procedure would be to address the problem at a local level. Therefore, we believe that such problems must be dealt with by the smallest unit of government with authority to handle the issue.

The Department feels that program participation when tied to soil conservation—such as the current acreage reduction program, with idled land devoted to conservation—is a better approach than that proposed in S. 1825. Specific conservation practices are developed at the local level and approved by the State Agricultural Stabilization and Conservation Committee and the State conservationist of the Soil Conservation Service. This idled land must be protected from wind and water erosion throughout the year.

This bill would reduce producer decision-making flexibility on lands located west of the one hundredth meridian that meet the crop production use criterion, except where the owner or operator has entered into a long-term agreement to carry out approved conservation practices. Although there would be no prohibition on use of such lands, the denial of price support could effectively amount to a prohibition on some of this land except in years when supplies are expected to be relatively tight and prices strong. But once this land came into production, even though prices might fall, production could continue. This could result in a worsening of the conservation problems the legislation is supposed to prevent or correct.

The Department, through the county-level offices of the Agricultural Stabilization and Conservation Service, is responsible for the administration of farm commodity price support and related resource conservation and environmental programs. Implementation of this bill would also present many difficult administrative problems, some of which are insurmountable at this time.

To implement S. 1825 would require knowledge of the use of each parcel of land located west of the one hundredth meridian, that potentially could be used for cropland for each of the ten years prior to the year of its implementation. Complete records of land use during the last ten years are not available. Records would be available only for those producers of program crops (wheat, feed grains, rice, and upland cotton) who voluntarily certified their planted acreage in order to be eligible for program benefits and with respect to acreage on which marketing quota crops (tobacco, peanuts, and extra long staple cotton) have been produced. However, producers of program crops were not required to certify during 1974–77 and in 1980. For the marketing quota crops, only extra long staple cotton is produced to any extent in the area designated in the bill. To assemble adequate data bases on a county-by-county basis would require innumerable man-hours as well as the acceptance of producer assertions with varying degrees of supporting documentation. The process of acceptance could result in numerous irreconcilable disputes which could lead to litigation.

S. 1825 would apply only to land west of the one hundredth meridian. Thus, for example, a farm adjacent to but east of the dividing line would not be subject to the prohibitions of eligibility for program benefits, while an adjoining farm, located west of the dividing line would be subject to the provisions of the bill, raising questions of equity.

If this bill were enacted, substantial start-up costs would be incurred, after which cost savings would likely be negligible. Any reduction in loan outlays would probably be offset by additional administrative costs.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

JOHN R. BLOCK,
Secretary.

[S. 1825, 97th Cong., 1st sess.]

A BILL to prohibit price support for crops produced on certain lands in the western part of the United States which have not been used in the past ten years for agricultural purposes, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, no producer shall be eligible for price-support assistance on any agricultural commodity produced on any land located west of the one hundredth meridian if such land has not been used for the production of an agricultural commodity at any time during the ten crop years immediately preceding the crop year in which this Act is enacted, nor shall any such producer be eligible for a farm storage facility loan under section 110 of the Agricultural Act of 1949 (7 U.S.C. 1445e), or under any other provision of law administered by the Secretary of Agriculture which authorizes loans for the construction of storage facilities for agricultural commodities, if such loan is to be used for the construction of a storage facility to store an agricultural commodity produced on any such land.

(b) The prohibitions contained in subsection (a) shall not apply in the case of the owner or operator of any land referred to in such subsection if such owner or operator has entered into a long-term agreement with the Secretary of Agriculture to carry out on such land such conservation practices as the Secretary determines are necessary to protect the soil resources of such land from destruction by wind and water erosion.

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